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VIEWS AND REVIEWS

That recall of two Oregon public service commissioners in May following the commission's authorization of increased telephone rates, as described in this issue, is of perhaps historic importance. Mr. Barnett has been for some years a systematic observer of the workings of the recall in local elections in Oregon and seems to see in this case nothing more notable than the fact that this is the first use of the recall in his state for state-wide officers, so perhaps we overrate its significance. We received the article after this issue was closed and squeezed it in for its news value but we shall correspond further and get additional viewpoints.

We shall want to know whether the authorization of the increased rates was really outrageous, one indication among others that the commissioners were untrue to their trust, or whether the people were merely voting irresponsibly for lower telephone charges. And what did the new candidates promise, not having listened to the evidence? And what happened to the telephone rates after the new men were installed? We will find out in time to report further in the next issue.

Of course, a recall election is no different from any other except that it hangs upon a special occasion instead of upon the calendar, and the commission's decision, if it had come close before an election, would have thrown

the question into the public arena in much the same way. It is not the recall that is to be challenged so much as the principle of having public service commissions elective at all. If judicial or quasi-judicial decisions, especially in cases where the evidence may be too voluminous, complex and technical for submission through the press, are to be impartial, the court or commission must be safe from political threats, else the people become judges in their own cause!

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The great gap in the civic field is the lack of general state-wide civic organizations. There is the New York State Association which has survived its second winter and the California Taxpayers' Association which is older and a source of fine publications on state problems—and that's all! When a constitutional convention comes along, as now in Missouri, a special state association of some kind is improvised temporarily but for year round work in the field of state governmental problems and legislation the other states have nothing. Many cities used to be in like plight but the Rotary and Kiwanis clubs and the modern Buttenheim chambers of commerce are closing that gap nicely.

Now comes the Pennsylvania State Association announcing itself in May

with a creditable pamphlet that proposes a state budget system, a state civil service commission, a state purchasing agent, economies in state printing, reorganization of the administrative system by consolidating 84 offices, bureaus, departments and boards with an orderly system of 13 departments and two commissions. A new office is proposed, the legislative auditor, under control of the legislature. The new association starts at an auspicious time, if Pinchot wins, and its technical work has been done for it by the recent commission on constitutional revision, saving much costly research. It is financially in bitter need and has no paid secretary as yet. The president is our good friend and League worker, Franklin N. Brewer. There is a representative executive committee and the address is 1720 Chestnut St., Philadelphia. We are putting our membership lists at its disposal and trust that most of our Pennsylvania members will co-operate and join. A contribution to it at this time will be more helpful than checks many times larger after it gets safely on its feet.

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A few months from now will come the biennial sessions of the state legislatures and meanwhile there are platforms to be written and campaign promises to be devised by would-be governors and legislators. It is the strategic time for pushing administrative consolidation. Illinois pioneered in 1917 and the story of the sweeping improvements that followed is told in one of our pamphlets. Massachusetts followed with a poor imitation in 1918, then came Idaho whose governor wrote the story in these columns and Nebraska whose results as described in this issue were so good as to necessitate a special session to reduce taxes. Ohio

and Washington, 1921, have just passed the first hard year. The governor of Washington is claiming a saving of \$1,000,000 a year and the governor of Ohio has a testimonial to contribute. We shall assemble the data easily enough but to throw it into the most hopeful state in free-handed abundance is rather beyond our shaky finances. At any rate ours is the task of lining up the facts and we shall be ready with the ammunition even if we are not able to do all the shooting in this strategic year that we would like to do.

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By a special gift, our treasurer, Mr. Pforzheimer, has made it possible for us to realize a cherished project that will be known as "Crane's Digest of City-Manager Charters." Dr. Robert T. Crane of the University of Michigan at our instance collected, digested and tabulated the basic facts of the two hundred charters months ago but the finance committee ran into hard sledding and the project was held up. Now we are free to go ahead and we shall presently have a volume of the salient facts about every city-manager charter, the full texts of several of them and sundry information of value to charter revisers. Its predecessor, Beard's Loose-Leaf Digest of Short Ballot Charters dealing mainly with the old commission plan, sold readily and had a profound influence in keeping charter commissions from wandering off into fool complexities.

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Our secretary, Dr. Dodds, arrived home in June from Nicaragua where he has spent several months as an expert supplied by our state department to work out a modern election system.

R. S. CHILDS.

A NON-ASSEMBLED CIVIL SERVICE EXAMINATION

BY CLINTON ROGERS WOODRUFF

President, Civil Service Commission of Philadelphia

Although the method has been successful in enough cases to prove its practicality, the application of the merit system and the non-assembled examination to high positions is still relatively rare. :: :: ::

I

PHILADELPHIA had a Chief of the Bureau of Surveys who had become a really influential factor in the City's growth. He had risen from rodman to the highest place in his bureau. Then he was made Director of Wharves, Docks and Ferries. After his term expired he was made Chief of the Bureau again, serving in that position until he was made one of the Board of Engineers for the Delaware River Bridge.

If ever there was a striking illustration of the feasibility of the Merit System, George S. Webster afforded it.

When he resigned there was a vacancy to be filled by a civil service examination. The first question that the Commission had to settle was: Should the examination be a promotion examination or an open one? If a promotional one, then should it be confined to the engineers in the Bureau or to all the engineers in the service of the city? The latter was agreed upon. It was what was known as a non-assembled examination. Candidates were not required to appear at any place for a written examination, but were required to submit a statement of their training and experience and to write a paper on practical problems relating to the duties of the position. Those who qualified in training and

experience and the practical problems were summoned for an oral interview on personal fitness.

The subjects and relative weights were:

I. Training and Experience, showing training and achievements in engineering; to this a weight of 4.5 was given.

II. Professional Papers, selected subjects touching upon two timely problems in the development of the City of Philadelphia, namely, city planning and sewerage; weight 3.

III. Personal Qualifications, showing character, executive ability and capacity to direct a large organization; weight 2.5.

So that the character and significance of the examination may be better understood, here is the way the duties of the office were described:

The duties of the Chief Engineer and Surveyor are to have charge, under the general direction of the Director of the Department of Public Works, of the activities of the Bureau of Surveys. These will include: supervising the preparation of plans and specifications and the fulfillment of contracts for the construction of bridges, sewers and sewage disposal plants and maintenance of the same; studies and plans for extension and relocation of streets; negotiating for and supervising plans for the elimination of grade crossings; passing upon the plans of rail corporations for bridges and railroad tracks; supervision of the testing of materials for public work; and other related work. He is a member of the Fair-

mount Park Commission, of the Board of Surveyors and the Board of Highway Supervisors and acts on various City committees on zoning and city planning.

Under the head of training and experience, to which a weight of nearly one-half was given, each candidate was required to submit a complete statement of his education and professional training, including names of the institutions attended, diplomas or degrees conferred with dates, a complete statement of his experience with dates, giving names and addresses of his employers, exact nature of his duties, salaries received and reasons for making changes; professional connections, membership in societies, papers prepared or published reports for which he was responsible.

In the discussion of practical problems, each candidate prepared a paper of approximately 4000 words on each of the following subjects:

1. Discuss the improvement and rectification of city plan of streets in the central portion of the city to meet present and future conditions, including those arising from the construction of the Delaware River Bridge. The area covered by this discussion is bounded by Lehigh and Washington Aves. and the Delaware and Schuylkill Rivers.

2. (a) Discuss the present practice in the design of storm water sewers and describe the accepted processes of sewage treatment which have particular application to Philadelphia.

- (b) Discuss the necessity of improved communication between West Philadelphia and South Philadelphia giving your ideas as to the best location and type of bridge across the Schuylkill River.

In the preparation of these papers, the candidates were at liberty to consult works of reference, but not suggestions from any person. They could

use sketches, maps, drawings or other matter to illustrate their ideas, at their discretion.

In passing it is interesting to note that a number of these papers have been published in the daily press and in technical papers.

The Board of Examiners consisted of Professor Milo S. Ketchum, Consulting Engineer and Head of the Department of Civil Engineering, University of Pennsylvania; John Meigs, Consulting Engineer and formerly Director of the Department of Wharves, Docks and Ferries, and Charles S. Shaughnessy, the Chief Examiner of the Civil Service Commission.

II

There were five candidates, all attaining a place on the eligible list; three from the Bureau of Surveys, one from the Bureau of Highways and one from the Bureau of Health. All of these men have held important posts in the engineering service of the City for a number of years and have very creditable records. Their personal qualifications were determined by an oral interview before the Board of Examiners, where they reviewed their professional papers verbally and were critically questioned so as to bring out their judgment and breadth in viewing large problems. The practical nature of this part of the examination and thoroughness with which it was conducted is shown by the fact that each of the candidates of his own choice remained before the examiners over an hour each and gave the Board an excellent background for appraising the administrative qualities of the men. The Commission was especially fortunate in having the Board so constituted that one of its members was especially familiar with the physical plans and improvements of the City and this

served to very good purpose in comparatively measuring the various suggestions of the candidates. In this part of the examination special attention was given to force, judgment and ability to command and direct others.

The rating of training and experience was based upon the requirements and duties of a high grade administrative position. The work of the Chief Engineer is of such wide scope, touching upon many large problems, that to cope with them successfully a man must have been well trained, either through practice or academically and have had such experience as to grasp and solve the varied problems in a large way.

In rating the professional papers on practical problems, consideration was given to constructive suggestions, practicability and convincing character of the ideas. The presenting of a thoroughly thought out plan, with arguments and reasons for its support—if same were based upon sound engineering sense—had considerable value in this connection. Further, the comprehensive and constructive char-

acter of a discussion showing the thorough grasp of the problems involved is evidence of ability to get to the bottom of things and has great value in both technique and administration of engineering practice. Some of these papers were a real contribution to the problems that must be solved by the City in the immediate future, as they provided a specific and detailed solution to city planning and sewerage. The ratings were strictly comparative and based upon the above factors.

From these details it will be clearly and readily seen how thoroughly practical a civil service examination for the highest grades can be made, and how greatly superior such a carefully worked out plan is to a hit or miss selection. Such an examination is likewise of great value in that it serves to make public service more attractive. When a public servant feels and believes that his position and promotion depend upon demonstrated merit, he is much more apt to consider the larger opportunities afforded by public work as a permanent career.

AKRON'S CITY MANAGER—ANOTHER VIEWPOINT

BY GEORGE C. JACKSON

Former Member of Council, Akron, O.

THE March issue of the NATIONAL MUNICIPAL REVIEW carried an article on the operation of the City Manager Plan in Akron. Unfortunately for both the reader and the subject, the article had more to do with the City Manager, to whom its author bore a personal animosity from the very beginning of his service, than with the operation of the local government.

Having served the City as a Councilman for three terms, both under the Federal and City Manager Plan, I am

volunteering information from the records that will permit the reader to judge for himself whether the City Manager plan in Akron has been successful or otherwise.

I

A few of the many things accomplished during 1920 and 1921 are herein set forth.

In the beginning, the Manager, under his power of appointment,

selected for Department and Division Heads those who were trained and of known ability, regardless of political affiliations, and, in some cases, over the protests of political leaders.

Departmental work was reorganized to the extent that responsibility was more readily fixed and conflict and overlapping of duties removed. Cost data was kept in detail.

For the first time in its history, the City was able to take cash discounts in its purchases, saving \$18,000 in this manner in two years.

A department of City Planning was organized with trained advisors and engineers. As a result of its effort, set back lines were established on several main thoroughfares for the purpose of future widening, which were observed in new buildings of the value of \$4,000,000 through persuasion and without recourse to law.

A zoning ordinance was prepared and several new park areas laid out.

In the Highway Division many improvements were completed, a comparative statement of which follows:

Nature of Improvement	Miles 1921	1920	Previous Years, 1919	1918
Asphalt resurfacing.....	6.26	0	0	0
Sheet asphalt pavement.....	3.03	1.27	0	0
Brick pavement.....	3.27	2.40	1.04	1.47
Stone block pavement.....	12.56	0	1.24	0
Streets graded.....	7.12	13.82	.38	.50
Cement walks.....	11.21	18.10	3.34	5.00
Concrete pavement.....	0.14	0	0	0

Total engineering and inspection cost was 3.30% of the total.

A comparison in the Sewerage Division also follows:

Of the total construction cost of sewers the engineering and inspectional cost was 1.05%.

In the Public Works Division a pub-

Item	1918	1919	1920	1921
Number of improvements.....	26	7	31	46
Total length (feet).....	26,881	8,339	74,156	124,975
Construction cost.....	\$120,753	\$28,011.37	\$680,417.01	\$1,239,643.75

lic parking ground for automobiles was established at an annual income to the City of \$5,000.

Garbage collection costs were reduced, notwithstanding high labor costs, by introducing the tractor and trailer system of hauling.

Cleaning and flushing of sidewalks in the business district of the City was first instituted in 1920. A City Yard for receiving all materials employed in City works was built. Playgrounds were laid out, wading pools constructed and skating ponds provided.

Akron was the first City to pass an ordinance against rent profiteering, through which more than three hundred complaints against landlords were heard and satisfactorily adjusted by a committee appointed to hear such complaints.

It was among the first cities to license places where soft drinks were sold and forbid screens in such places. Control of soft drink places was put under the Department of Police through licenses issued by the Safety Director.

The Police Department was completely reorganized and made more

efficient. In this process forty-two patrolmen were discharged as inefficient for various reasons.

The Fire Service was improved by the addition of the two new stations with motorized equipment.

Within the two years there was a street car strike, resulting from wage differences between the company and its employees. The City was able, during the time service was suspended, to provide through a system of jitneys and busses, a complete transportation service whereby business and industry proceeded without any interference or interruption. The strike was settled without disorder or confusion.

A vigorous law enforcement policy was carried out with the result that major crimes were few and the City enjoyed exemption from the wave of crime that had spread generally to the larger industrial cities in the country. Cabarets were driven out; dance halls, billiard and pool rooms and other places of entertainment were placed under license and strictly regulated and inspected.

During 1920 arrests for violation of the prohibition laws numbered 828; fines assessed were \$127,311. During 1921, 940 arrests were made for the same cause; fines, \$79,589. Conviction resulted in 95 per cent of the cases. In 1920, autos reported stolen were 590; police recovered 370. In 1921, 261 autos were reported stolen; 252 recovered by police. The total number of arrests for all causes were: in 1920, 12,558; in 1921, 10,104.

A recreation commission was appointed for the purpose of promoting, encouraging, regulating and furnishing the facilities and grounds for amateur athletic sports.

In 1920 and 1921 the largest program of public improvements ever undertaken in the City was carried out.

The population of the City had

grown rapidly and large areas had become quickly built up. Public service had to be extended and public improvements made to meet this growth as much as was possible with the resources available.

Expansion was made in the Public Health Service by adding clinics for the protection of infant life and providing open window supervision for school children. The City's death rate is found among the lowest in the United States.

During the period there was prepared and submitted to the City Council a service at cost street car franchise ordinance, which combined many of the features of the more recent franchises in this country and Canada, with new and others applicable to local conditions.

The salaries of all City employees from the highest to the lowest and including that of the Manager, were reduced upon the recommendation of the Manager.

Able-bodied persons receiving relief from the City were required to render service to the City in value equal to the amount of relief extended.

The tax rate for all purposes, including State, County, School, and City, sinking funds and interest charges, and including operation was \$2.06 per hundred dollars of valuation in 1920 and \$2.04 in 1921, of which the city received for operating purposes out of each dollar of taxes the sum of 20.2 cents in 1920 and 21.2 cents in 1921. The Sinking Fund received 11.6 cents in 1920 and 9.5 cents in 1921.

II

That the people of the City had confidence in its administration and in the manner in which the City's business was carried on is indicated by the fact that in the two years they voted \$900,-

000 for a new city hall, \$2,000,000 for parks and playgrounds, \$250,000 for viaduct approaches and \$3,000,000 for sewers.

No small measure of the success of the two years operation under the City Manager belongs to the City Manager, who, in an honest, able and forceful handling of the executive and administrative departments won respect and confidence. His recommendations were generally adopted by the City Council because they were accompanied and supported by sufficient and satisfactory reasons together with full information on the subjects submitted.

Although his administration was made a political issue during the campaign preceding the municipal election, all but two of the candidates of the party raising the issue were defeated, notwithstanding a local newspaper of politics opposed to those of the manager carried on a campaign against him daily for almost two years.

Through personal antagonism of a majority of members of City Council, taking office January 1, 1922, the Manager was removed.

For him no more need be said than that he performed his duties aggressively, honestly, fearlessly and well.

DETROIT TAKES OVER ITS STREET RAILWAYS

BY ROSS SCHRAM

Assistant General Manager, Department of Street Railways of Detroit

Seattle and San Francisco are running municipal street-railway systems but Detroit's adventure with a complete 363 mile system, made effective last month after a thirty-year struggle with the Detroit United Railways, is the boldest yet and by far the most important. :: ::

THE struggle of Detroit for the ownership of her own streets began 30 years ago. Therefore, a great deal of this recital must be taken from the records and conversation with men of another generation.

The traction problem in Detroit became acute when the city under the leadership of Mayor Pingree first asserted that the public's interest in street railway operation was superior to any other interest. Mayor Pingree believed that no foreign holding stockholders had a right to specify how we in Detroit should travel between our homes and our business and under what conditions. Since that time the

City has been engaged in a practically continuous struggle with the private company and its predecessors.

On May 23, 1899 the first street railway commission of the city reported a plan for the purchase of private lines and the physical property was valued at \$8,000,000. The unexpired franchises were appraised at approximately \$8,500,000. Incidentally, this commission had as one of its members one of the leading attorneys of the Middle West, who has since that time been the standard bearer for the private company in all of its battles with the city.

As indicating one of the many pit-

falls referred to previously, the private company through all these years, time after time has hired away the city's best legal advisers and through all these years they have formed a strategy school to protect the company's interests.

As a result, there was never the proper continuity of the city's legal effort, each new corporation counsel having to start from scratch, that he might familiarize himself with the multitudinous possibilities.

This first street railway commission suggested that a purchase plan be submitted to popular vote in case obstructive litigation (which had already been started) should be decided in favor of the city's power to proceed with the project.

However, this commission's work was rendered useless by an adverse decision of the Michigan Supreme Court. A constitutional convention sitting ten years before the Civil War had inserted in the constitution the provision that the state should never engage in any "work of internal improvement"; and fifty years later the court held that the Detroit United Railway system was a "work of internal improvement" and that what the state could not do itself, it could not authorize the city to do.

Thereupon began a great political struggle to have a constitutional amendment submitted to the voters of Michigan, under the terms of which would be granted the right of home rule with respect to the ownership and operation of street railways. This was an intense battle and the legislature refused, time after time, to permit a vote. It is said that the chairman of a certain committee in the House, living in a small Michigan village, defeated the effort of the people of the largest city in the state to have this question of home rule submitted.

Finally it was necessary to wage a campaign all over the state, that a new constitutional convention might be called, its purpose being to bring about municipal home rule if possible.

As a matter of fact, it was ten years after this first Railway Commission report that a new constitution went into effect and the first obstacle to municipal ownership was removed.

A certain provision of this home rule permission, however, complicated municipal ownership in Detroit for years. So great had been the struggle in the convention between the conservatives and the progressives that the former insisted no city should have municipal ownership power except upon a 60% vote of the electors. The progressives responded by insisting that no city should have the power to grant a franchise except by similar vote.

This constitution went into effect about fourteen years ago and there followed several years more of struggle before the people of Detroit finally succeeded in getting a chance to vote upon the policy of municipal ownership and operation of street railway lines. They finally approved this policy by a vote of four to one.

EXPIRING FRANCHISES

In the meantime the private company had been making frantic efforts to secure a renewal or extension of its franchises, which were beginning to expire.

In 1906 Mayor George P. Codd submitted a proposition for the extension of franchises to December 4, 1924, in return for which the company was to sell tickets at the rate of six for 25c during all hours and ten for 25c between 5:00 and 8:00 A.M. and 4:30 and 6:30 P.M. This proposition received only a 31% affirmative vote.

In September 1907 the proposition

giving franchises for the construction of eleven extensions received only a $33\frac{1}{3}\%$ affirmative vote.

In January 1912, Mayor W. B. Thompson and his corporation counsel (afterward the first lieutenant of the leading D. U. R. lawyer) submitted a proposition to extend franchises to December 1924, in return for which the company was to sell eight tickets for 25c during the rush hours and six tickets for 25c during all hours. This proposition received a 41% vote.

In April 1913, Mayor Oscar Marx submitted a city charter amendment providing for municipal ownership and operation of railway lines and this proposition received an eighty per cent affirmative vote. In August 1913, the Company having been unable to secure any extension of franchises, agreed to build certain extensions under a day-to-day agreement providing that they might be ordered out of the streets at the whim or caprice of the Common Council or that the city might purchase its trackage at cost less depreciation, at any time.

In return the company agreed to reduce its fares to seven tickets for 25c. This plan, not incorporating a franchise, was in effect a temporary settlement plan and could be and was passed by the Common Council without submission to the people.

In December 1917 this agreement was abrogated by the company on the ground that it was unable to meet operating costs at such a rate of fare.

It should be noted that the citizens of Detroit stood adamant through all these variously contested campaigns on which great sums of money were spent by the company for propaganda purposes. They did this because of the gospel preached by the sincere leaders and because of their recollection of the forceful utterances of Mayor Hazen S. Pingree years before.

REFERENDUM CAMPAIGNS

In November 1915, Mayor Marx and the Board of Street Railway Commissioners submitted a municipal ownership purchase agreement. This was in effect a condemnation plan inasmuch as the price was to be determined by the six circuit judges after the people's vote. The affirmative vote on this proposition totaled 47%.

The campaign slogan was originated by those opposed to this plan, terming it "A Pig in a Poke" plan, and this war cry was greatly instrumental in defeating the proposition.

Mayor Couzens took office in January 1919, pledged irrevocably to municipal ownership, believing it to be the best plan and the only plan for the proper solution of the city's transportation problem. It appeared that the quickest and surest way of solving the problem was an agreement for outright purchase of the private lines. Such a proposition was submitted in April 1919, a price of \$31,500,000 being quoted. The people believed the price too high or else had great doubt in their minds as the result of the immense confusion created by a ruthless campaign between the opposing factions. They gave it only a 47% affirmative vote.

This series of balloting proved the intentions of the people without a single doubt. It is now admitted by the private company's officials that in these latter campaigns those inherently opposed to municipal ownership were supported by large sums of money furnished by the company, even in that campaign for purchase in which the officers had signed a written contract to sell at a price of \$31,500,000.

It is interesting to recall the various arguments advanced against the propositions which were submitted. In addition to those arguments already cited, there were the following:

1. That the agreement conveyed valuable interurban rights to the railway company.

2. That the city was buying a lot of junk which would soon be out of date with the introduction of gas-driven cars.

3. That a rate of fare in excess of what was then charged would be required to maintain the system under municipal ownership.

4. That the operation of the lines would result in a burden to the taxpayers.

5. That condemnation and piece-meal construction were plans superior to outright purchase.

Upon the defeat of the purchase proposition in April 1919, the Board of Street Railway Commissioners (three very prominent business men) declared for a service-at-cost plan, with the construction by the city, at the same time, of certain downtown subways into which surface cars would be run—that congestion on the streets might be lessened within the mile circle.

It was Mayor Couzens' opinion, after careful thought, that downtown depots or miniature subways would not alleviate conditions to any great extent and that the so-called "service-at-cost" or Taylor plan was a vicious instrument, related to the war time "cost-plus" contracts.

Thereupon this Commission resigned and close study was given the problem for many weeks by the Mayor.

There was considerable agitation for a genuine subway system, and competent engineers connected with the New York system testified that, whereas Detroit had only 300 miles of surface tracks, it should have at least 500 miles of surface line feeders in order to make the subway system to any extent pay its way. The Mayor also believed that the city should control surface lines first of all.

TWO COMPETING PLANS

Late in 1919 and in the month of January 1920, at his own expense, Mr. Couzens had an engineer lay out plans for much wanted new trackage which would (except in rare instances) not parallel the company's existing tracks. While this was being done, tremendous agitation for the service-at-cost plan was developing. An attempt was made to force such a proposition through the Common Council for ultimate submission to the people, but this was defeated by a Mayor's veto. Thereupon the railway company showed its favoritism toward the service-at-cost scheme by referring to the initiative and referendum.

In the meantime the Mayor and the new Street Railway Commission presented a plan dubbed the "piece-meal plan" by its opponents, whereby the city would build 100 miles of new track and tie into it some 30 miles of the trackage mentioned as having been built by the D. U. R. under the day-to-day agreement which gave the city the option to purchase whenever it might so desire. In addition it was proposed to tie in 21 miles more of trackage—the Fort St. and Woodward Avenue lines (two main lines where the franchises had expired)—and the United States Supreme Court in one of many lawsuits had given us a right to oust the company out of the streets upon ninety days' notice from the Common Council.

This plan would give the city a system of approximately 156 miles, or one half the size of the existing private system. In the way of finance the plan called for a \$15,000,000 issue of public utility bonds. The estimates indicated that this fund would be sufficient to build 100 miles of new track, purchase the 30 miles of day-to-day track, either purchase the 21 miles of Fort and Woodward trackage, at a

proposed price of \$40,000 per mile or replace that trackage should the company refuse to sell, once the people had approved this new municipal ownership ordinance.

There was provided in this bond issue sufficient money, also, for the purchase of 400 new motor cars and 150 trailers.

In the same prospectus were outlined 62 miles of additional new trackage to be built out of a further bond issue when the initial system had been completed. This plan was submitted to the voters in April 1920, along with the service-at-cost plan initiated by the Railway Company. The municipal ordinance secured 63% of the total vote, after one of the most bitter utility campaigns ever waged in the Middle West, and an expenditure on the part of the private company of a sum variously estimated in the hundreds of thousands.

THE MUNICIPAL SYSTEM STARTS

With the passage of this ordinance the city had nothing but a street railway minute book with which to start work. The day after election, excavation work began. This was on April 6, 1920. On February first, 1921, we had 18 miles of track completed and 13 miles of track in operation. During the summer of 1921 we completed a total of 60 miles of new track, reaching a construction speed at times of one mile a day.

By December 1, 1921, we had 60 miles of new trackage under operation and had arbitrated the purchase of 30 miles of the day-to-day lines, at a cost of about two and a quarter millions. These were taken over on December 22, 1921. We had purchased 300 new cars and received 128 from the D. U. R. with the day-to-day tracks.

In passing it should be mentioned

that on February 28, 1921, the United States Supreme Court cut the ground from under over a dozen obstructive lawsuits started by the Detroit United Railway, after the vote of April 1920 and by a unanimous and sweeping decision validated the municipal ownership ordinance and reaffirmed the city's right to order the company out of the streets where franchises had expired. These obstructing lawsuits, started by the company, covered every possible phase of the situation through which time might be gained or the ordinance invalidated through litigation.

Property owners on streets where car lines were planned were roused to start community suits. The city's corporation counsel, Mr. Clarence E. Wilcox, defeated the D. U. R. legal talent, reinforced by Secretary of State Chas. E. Hughes, then acting as a counselor.

The Mayor and the Street Railway Commission asked the company (after buying the day-to-day trackage) for a price on the Fort and Woodward trackage. The price was refused and thereupon our engineers declared the trackage was so depreciated that we were justified in offering only 388,000 dollars for the track. This money was offered in the way of value for the use of the track as temporary track during reconstruction and to avoid inconvenience to the public if the new track were laid at one time, rather than by sections.

The city's price was refused and the Mayor asked the Common Council to order the company out of the streets. The ouster ordinance was passed by the Council but was referred to the people by initiative, inaugurated by the Woodward Ave. business men. The people not only backed up the ouster ordinance but re-elected the Mayor at the same time by a margin of 33,000.

THE COMPANY'S LAST STAND

Thereupon the company approached the city with a proposition for an interchange of running rights because with the ouster ordinance facing them and the dismemberment of their system, through the day-to-day purchase, they were not in a position to give unified service to the public.

On December 15, 1921, as the result of an agreement which had been drafted, city cars were permitted to run over 61 miles of the D. U. R. tracks including Fort and Woodward, and the D. U. R. cars to run over 32 miles of the city's day-to-day tracks, with a universal transfer arrangement.

The people had demonstrated their ability in street car operation and it

was our belief that they would be willing to vote the necessary funds to purchase the balance of the private system, which of course could be obtained for less money than it would have cost at any time during the previous years.

In January 1922, the railway department's own engineers gave Mayor Couzens an appraisal value of \$19,500,000 for the 273 miles of private system remaining.

This amount was offered the Company and a purchase contract setting \$19,850,000 as the price was signed by both parties.

This was put to a vote of the people on April 17, 1922, and carried by a vote of more than four to one.

The city took over the last of the lines on May 15, 1922.

DETROIT'S STREET RAILWAY PURCHASE CONTRACT WITH PRIVATE COMPANY

Approved: April 17, 1922. Effective: May 15, 1922.

<i>Price:</i>	\$19,850,000	<i>Tracks:</i>	273 Miles—90% Paved
<i>Down Payment:</i>	\$2,770,000	<i>Cars:</i>	1029
<i>Payment Method:</i>	Bond issue of \$4,000,000 authorized to make down payment and buy current stock of supplies.	<i>Real Estate:</i>	Value approximately \$3,000,000
	\$500,000 semi-annually.	<i>Power Stations:</i>	Two—furnishing 50% of total supply.
<i>Installments:</i>	6%	<i>Interurban:</i>	Running rates fixed by Board of Arbitration. Rights can be terminated on 2 years notice.
<i>Interest:</i>	10 years.	<i>Rights:</i>	
<i>Balance:</i>			

TOTAL COMBINED SYSTEMS: 363 MILES;
CARS: 1457

NEBRASKA'S REORGANIZED STATE ADMINISTRATION

BY A. E. BUCK

New York Bureau of Municipal Research

The reorganization in 1917 of the Illinois state administration into an orderly group of departments has already been copied by several states, as related in our pamphlet "Administrative Consolidation in State Governments." The results in Illinois are dealt with in our pamphlet "Administrative Reorganization in Illinois." The Nebraska reorganization of 1919 has now reached the point where the results are demonstrable, as set forth in this article prepared after a visit by the writer to Lincoln. :: :: :: :: :: ::

ONE of the most unusual and significant things that has ever happened in American state administration, took place this year in Nebraska. Governor McKelvie called a special session of the legislature during the closing days of January to *cut down* the appropriations for the current biennium that began July 1, 1921. In less than a year after the legislature had made the appropriations for the biennial period, the governor knew that nearly one-tenth of the total sum appropriated for state activities could be saved. In order to give the people of the state the advantage of an immediate saving in the reduction of their taxes, he called the legislature together. By a special message he instructed that body to repeal the law making appropriations for the biennium and enact an appropriation bill carrying the reductions recommended by him. The legislature followed the governor's recommendations, the result being that the total appropriations for the biennium were reduced from \$22,451,666.33 to \$20,399,910.48—a reduction of \$2,051,755.85. This reduction made it possible to cut the state tax levy for the second year of the biennium from three to two mills, or 33⅓ per cent.

THE 1919 CODE

What enabled Governor McKelvie to do this, and how did he get the facts upon which to act? The answer is found in the operation of the centralized and responsible system of administration established by the civil administrative code. This code was enacted by the 1919 legislature and went into effect in August 1919. It eliminated twenty-four statutory boards, commissions, and agencies, and consolidated their functions under six departments; namely, finance, agriculture, labor, trade and commerce, public works, and public welfare. The code vests the civil administration of the state in the governor, who has as his chief assistants the six department heads. These heads are called secretaries and are appointed by the governor with the consent of the legislature. While they are appointed for a definite term of two years, they may be removed at any time by the governor. Each secretary receives an annual salary of \$5,000. All subordinate officers and employees of the code departments are appointed by the department heads with the approval of the governor. Departmental regu-

lations are prepared by the secretaries and are promulgated with the governor's approval.

The code administration has now been in actual operation for almost three years. The important results that have been brought about by the application of the code during this period are: (1) the integration and departmentalization of related activities of the state government; (2) the application of the cabinet idea to the work of the state administration; (3) the establishment of a budget system with uniform financial control over state expenditures; (4) the installation of a central accounting system; (5) the establishment of a system of employment and personnel control; and (6) the inauguration of a state purchasing system.

RELATED ACTIVITIES DEPARTMENTALIZED

The co-ordination of related activities of the state government is one of the most important accomplishments of the code system. It took activities that were operating independently of each other but that were part of the same major function of government and brought them together into one department with a single administrative head. In this way definite responsibility has been fixed for each field of work. This arrangement has not only greatly increased the output of the services rendered, but it has tended to reduce the cost of operating the government. All departments are now located at the state capital, whereas some of the agencies used to be located at various points over the state.

One of the most important of the code departments, since Nebraska is mainly an agricultural state, is the department of agriculture. The functions of five independent agencies

whose activities related to agriculture were consolidated in this department. Not only was the work of these agencies brought together into one department, but it was systematized and arranged into five groups. These groups are designated as (1) bureau of foods, drugs and oils, (2) bureau of animal industry, (3) bureau of markets and marketing, (4) bureau of game and fish, (5) clerical and records division. The inspectional work is a very important feature of this department. It includes the inspection and testing of animals for diseases, the inspection of dairy, food and oil products, the inspection of farm products for shipment, and the testing of weighing devices. In order to accomplish this work, the department inspectors are usually assigned a definite section of the state and are required to establish headquarters at the most convenient point in this section. Each inspector is required to send to the department a daily report of work performed, and a statement of his routing for the following two or three days so that the department can communicate with him at any time without delay. In this way the department keeps a complete record of the work of all its field men.

Among the more important activities of the department of finance are the classification and control of expenditures, the installation of uniform accounting methods, the purchasing of supplies, the supervision of state employees, and the preparation of the budget. This department is the hub of the administrative wheel. As a result of the constant control that it exercises over all expenditures, it is continuously gathering information which is not only of great value in the day-to-day operation of the government but constitutes the basis for the preparation of the budget. The work of this department is arranged in two

divisions, namely, accounts and budget, and purchases and supplies.

The department of labor administers the workmen's compensation laws, enforces the child labor laws and employment and safety regulations. It collects and publishes labor statistics and maintains a free employment office. Its work is divided into two groups—division of compensation and investigation, and division of free employment.

The regulation of banking and insurance companies, the administration of fire prevention, and the enforcement of the blue sky law are functions of the department of trade and commerce. It also collects and publishes commercial and industrial statistics. Its activities are divided into (1) bureau of banking, (2) bureau of insurance, (3) bureau of securities, (4) division of fire prevention, (5) division of hail insurance, and (6) clerical and records division.

The department of public welfare has supervision over all matters relating to public health and social welfare, issues professional licenses, and records vital statistics. Its activities are grouped under (1) bureau of health, (2) bureau of social service, (3) bureau of child welfare, (4) bureau of examining boards, and (5) division of athletics. The head of the department appoints upon the recommendation of each profession an examining board for that profession which board prepares and conducts the examinations for professional licenses. Licenses are granted by the department head upon the recommendation of these boards. All records are kept in the department at the state capitol.

Supervision over the construction of highways, bridges and public improvements is exercised by the department of public works. For the supervision of irrigation the state is divided into two water districts with a superintendent

at the head of each district, appointed by the department head and under his supervision. This department licenses the motor vehicles of the state. It is organized under a bureau of roads and bridges, a bureau of irrigation, water power and drainage, and a clerical and records division. At the present time the federal government is co-operating with this department in the building of a system of state highways.

This system of departmentalization inaugurated by the code has brought abler men into the service of the state government. Instead of more than fifty officials giving, in some cases, only a fraction of their time to the work of the state government, there are now six men giving their entire time to the work. These men are paid salaries commensurate with the service they are rendering, and are chosen because of their experience and special fitness for the particular field of work they are directing. It is not possible to secure such men under the non-integrated form of state government, or where the department heads are elected by the people.

THE CABINET IDEA APPLIED

In order to bring about the greatest cooperation between the work of the code departments, Governor McKelvie introduced the cabinet idea that works similar to that feature of the national government. Whenever important matters arise that concern the general administrative policy, the governor calls a meeting of the department heads. Sometimes the bureau and division chiefs are present at these meetings. The matters under consideration are thoroughly discussed and a general and uniform policy is adopted. Following the cabinet meetings written instructions are sent to each department

outlining in detail the application of the policy to the work of that department. These meetings have proved a very effective means of defining and harmonizing the general administrative policy which under the old system of government was impossible. They also keep the governor in direct touch with the work of the different departments and enable him actually to lead in the administration of the state's affairs. Besides, weekly reports are filed with the governor by each of the departments telling of the nature and amount of work performed by each bureau and division of the department.

While the people look upon the governor as the chief executive, in most states he is not in a position to direct the administration because of the ramshackle organization. Nebraska has in a measure overcome this difficulty by the adoption of the code organization, and has placed the governor in a position where he is more nearly responsible for administrative policies.

BUDGET CONTROL ESTABLISHED

The code makes the governor responsible for the financial policy of the state by requiring him to submit the budget to the legislature. The budget is prepared by the department of finance from information gathered through estimates and through its audit and review of expenditures. The first state budget under the code was prepared by the department of finance and submitted by Governor McKelvie to the 1921 legislature. This budget, a document of 150 pages, gave for the first time in the history of the state a picture of the government's finances, analyzed its various activities, told what each activity spent during the preceding biennium, and estimated what each activity should spend during the next biennium. Prior to this the

members of the legislature had been without accurate and detailed information upon which to base their examination of the requests for appropriations.

In order to make the budget procedure work more effectively, the budget provisions of the code were amended by chapter 210 of the 1921 laws. Under this law all agencies of the state government must report their expenditures each month to the department of finance. The department of finance can investigate any agency of the state government to determine whether or not the appropriations are being judiciously and economically expended. This department also has the authority to recommend and require the installation of a uniform system of record keeping for all agencies receiving appropriations from the state. In this way the department of finance can determine the character and classification of the financial information that is submitted to it by the various state agencies. This uniformity greatly assists in the preparation both of financial statements and the budget. Hereafter the governor will submit along with the budget an appropriation bill, containing all the budget proposals for expenditures, which the legislature must pass by a three-fifths vote should it decide to increase the governor's recommendations.

Several other important changes affecting the budget procedure were made by the 1921 laws. A uniform fiscal year, beginning July 1st and ending June 30th, was adopted. Previously the appropriation year and the fiscal year of the state had been different and neither agreed with the federal fiscal year. All fees are now required to be turned into the state treasury, instead of being held out as formerly and used by the agency collecting them. All mill taxes, including the mill tax for the state university and normal

schools, have been repealed. This means that in the future expenditures will be by definite appropriations made each time the legislature meets. Practically all special funds have been abolished and the money turned into the general fund. This has been done because it is evident that special funds restrict not only legislative authority but also administrative control and supervision. Besides, such funds greatly complicate any system of accounting and reporting.

The department of finance has devised an expenditure classification that is used in setting up the accounts and in systematizing the information for the budget. Appropriations are made to the various spending agencies in what may be regarded as lump-sum appropriations. Before the appropriation to any spending agency becomes available for use, the agency must submit to the department of finance an executive allotment of the amount estimated to be required to carry on the work of the agency during the next quarter of a year and this allotment must receive the approval of the governor. As the vouchers for the agency pass through the department of finance and are audited for payment, the appropriation of the agency is encumbered by this department with the amount of each voucher. In this way the department of finance knows when the allotment for any quarter is being overdrawn. As a reserve against contingencies, the department of finance sets aside at the beginning of the biennium 10 per cent of the appropriation to each agency for that period and at the end of each quarter returns one-eighth of this amount to the agency for distribution in its next quarter's allotment. In this way the possibility of the legislature having to make deficiency appropriations every time it meets is reduced to a minimum.

The allotment system makes it possible for the department of finance to determine long before the end of the biennial period whether or not there is going to be an unused surplus in the appropriations and approximately how much this surplus is going to be in the case of each spending agency. As a result of the operation of this system by the department of finance, the governor was supplied with the facts that enabled him to call the special session of the legislature referred to in the first paragraph of this article, to cut down the appropriations for the current biennium.

In this connection mention should be made of the very valuable work that the department of finance is doing in educating the people to appreciate the significance of the budget and to understand something of the problems connected with financing the state and local governments. This department prepares monthly statements relative to the state's finances and occasionally a bulletin on the distribution of taxes between the different activities of the state and local governments and sends these to the newspapers and various organizations throughout the state.

CENTRAL ACCOUNTING SYSTEM INSTALLED

In the installation of a central accounting system Nebraska has made notable progress under the code administration. The department of finance has not only established a uniform system of financial records for all spending agencies of the state, but practically all bookkeeping, especially for the code departments, is done by this department. Under this procedure the accounting control is not only centralized, but it becomes unnecessary for each department to maintain a force to keep a set of books for it. Only such rec-

ords as relate directly to the work of the department are now kept by the code departments. Records giving complete information relative to the appropriations and expenditures of all departments are kept by the department of finance. The accounting system in this department shows at all times, for each department, bureau and division, the expenditures, the unexpended balances and the free and unencumbered balances. The spending agencies that are independent of the code departments, such as the University, the board of control, and the constitutional officers, keep their own books. However, the general form of these books is prescribed by the department of finance, and these agencies must report monthly to the department of finance an itemized and classified statement of all their expenditures.

All spending agencies are required by the department of finance in making their reports to distribute their expenditures according to nine standard expenditure accounts. These accounts and the sub-groups under each have been built up largely on an object basis and are used by the department of finance for budget-making as well as accounting purposes. It is possible by the use of this classification not only to determine when expenditures have been properly made, but also to compare the expenditures of different departments and institutions.

As has already been pointed out, the department of finance exercises the powers of pre-audit. Every departmental expenditure, before it is contracted, must have the approval of this department. This approval involves not only passing upon the availability of funds to meet the expenditure, but also the advisability of making the expenditure. Upon approval the appropriation of the department making the expenditure is encumbered by the

amount of the proposed expenditure. After the expenditure has been made a voucher signed by the department head is sent to the department of finance where it is checked and approved before going to the auditor's office. The auditor, an elective constitutional officer, approves all vouchers as to the legality of the expenditures. A useless step in the procedure is the requirement that the secretary of state likewise approve all vouchers before payment by the state treasurer.

The centralization of the accounting control in the department of finance is not only necessary to the proper carrying out of the budget plan, but also to the intelligent preparation of the budget. By this means the staff that prepares the budget for the governor is kept in daily touch with the expenditures of all agencies, and the facts that are essential to the criticism of the estimates are gathered from day to day.

EMPLOYMENT CONTROL ESTABLISHED

The department of finance has developed a rather unique system of employment control. While it does not conduct examinations to test the fitness of individuals to enter the state service, as civil service commissions do, it is, nevertheless, more effective in its management and control of state employees than most of the civil service commissions. Any person desiring to enter the state service must fill out and file with the department of finance a blank, stating position desired, educational and experience qualifications, age, marital relations, sex, name and address of last employer, last position and salary earned, and the names and addresses of at least three persons as references. The department of finance then asks each one of the references to fill out a blank that contains a number of questions about the character, edu-

cation and general qualifications of the person to fill the position. If the person's record is satisfactory, he is recommended for appointment to the position by the department of finance. The appointment is made by the department head with the approval of the governor. After the appointment has been made a permanent card record for the employee is filed in the department of finance. Any change in the salary rate of the employee must be approved by the department of finance. Before the adoption of the code there was practically no record of the state's employees.

Each employee in the different bureaus and divisions of the code department is required to sign a daily time report, giving the time of arrival, the time at lunch, and the time of leaving. All field employees mail daily time reports to the departments. These reports are collected by each department and are sent each month together with a summary to the department of finance. The summary shows the number of days during the month that each employee has worked less than eight hours, the number of days each has worked over eight hours, and the number of days and time that each has been absent without pay, on sick-leave, or on vacation. As a result the department of finance has a work report of every person employed in the code departments. From these reports the department of finance makes up each month the payrolls of all the code departments. Under this system the department of finance has the original signature of each employee for each day he or she has been paid during the month or year. These records are also used in making promotions.

Prior to the adoption of the code there was little relation between the duties performed and the pay received by the employees of the various boards.

The department of finance has worked out a salary standardization plan that provides for standard titles of positions and uniform salaries for the same class of work in all of the code departments. It fixes a minimum salary rate with advancement to a higher rate at specified times, and promotion from a lower to a higher grade of service upon the recommendation of the department head.

PURCHASING SYSTEM INAUGURATED

The division of purchases and supplies in the department of finance buys office supplies for all agencies of the state government except the University and normal schools. Prior to the adoption of the code each agency purchased its supplies in small quantities at frequent intervals. Under this scheme the various agencies frequently spent more than was necessary, proper scrutiny could not be exercised on the part of the state, and favoritism was often shown in the selection of vendors. Now, every department and agency must file a requisition for supplies with the purchasing agent. After this requisition has been approved by the accountant of the department of finance to the effect that there is sufficient unencumbered balance in the appropriation of the department or agency to pay for the supplies, the purchasing agent makes up a schedule, combining like classes of supplies from several requisitions, and solicits bids from dealers. An order is then placed with the successful bidder by the purchasing agent. A copy of this order is retained by the purchasing agent, a copy is sent to the accounting division of the department of finance, and two copies are sent to the department or agency receiving the goods. The department or agency files one copy of this order with its copy of the requisition and checks the other when the

goods are received, returning the latter copy to the purchasing agent. Payment for the goods is then authorized by the purchasing agent upon a voucher that is approved by the head of the department or agency receiving the goods and by the secretary of finance before going to the state auditor.

The purchasing agent buys and controls the use of mileage books that are furnished to the several employees in the different departments whose work necessitates their traveling over the state. Each employee must file with the purchasing agent a report showing the trips that are made with the mileage. In this way the department of finance has on file a complete record of all mileage books used by the code departments. The purchasing division does mimeographing and addressographing for the different departments and agencies and charges them only for the material and labor involved.

All printing contracts are let by the purchasing agent. In the printing of reports each department must furnish a manuscript copy of its report to the purchasing agent who goes over it carefully to see if it contains any unnecessary or repeated matter. He may require the department to eliminate such matter from the report before he contracts for the printing. The contract is let upon the basis of cost per page,—the character of the matter, that is, whether it is descriptive or statistical, being the determining factor in the page cost. All printing must be done and the reports delivered within thirty days. Formerly, it was not unusual for the printing of reports to be delayed after the contracts had been let for a period of from one to four years.

It is estimated that this system of centralized control of purchasing and printing has resulted in a net annual saving to the state of about 20 per cent. The operation of the system has also

contributed to the success of the budget system by establishing control over expenditures for supplies.

* * * * *

It is to be regretted that the constitutional convention of 1920, instead of reducing the number of administrative officers and boards under the constitution, saw fit to add four more such agencies, making a total of sixteen. Thus the present administrative system includes sixteen constitutional officers and boards, six statutory boards, and the six departments created by the code.

The revised constitution of 1920 contains a provision that gives the legislature the power to eliminate the heads of the code departments and to place the work of these departments under the constitutional administrative officers. If this were done, it would be a decided step backward. It would practically amount to setting up a commission form of government for the state. The heads of the departments would then be elected just as the governor is and there could be no centralized or responsible supervision of the administration. As a result the state would have six or eight governors instead of one. One of the serious and inevitable defects of this arrangement, even worse than under the old scheme of organization that existed before the adoption of the code, would be the tendency of each one of these independent administrative officers to magnify his own problems and importance, constantly to expand his activities, and to work for and spend as large appropriations as he could obtain in competition with the other administrative officers. There would be few incentives to real economy and no established avenues of mutual interest and co-operation.

Under the code system of organiza-

tion the departments have nothing to gain by competing with each other for appropriations. Co-operation takes the place of interference. The result—a most important one—is the development of the idea of unity in administra-

tion. The worth of the code system has already been clearly demonstrated by its successful operation. Undoubtedly, the next step should be in the direction of strengthening and extending this system.

GRAND RAPIDS REFUSES TO REVERT FROM THE COMMISSION-MANAGER PLAN

BY RUSSELL F. GRIFFEN

Secretary, Grand Rapids Citizens' League

Grand Rapids is one of the three largest cities operating under the principles of the National Municipal League's Model Charter and the April referendum demonstrated that the charter has the people more solidly behind it than when they adopted it in 1916. :: :: ::

On April 3, 1922, the voters of Grand Rapids defeated a proposal to return to aldermanic government by a majority of 2,500. There were about 23,000 votes cast at this election, out of a possible 56,000. It is safe to assume that the present commission-manager form of government would have been endorsed by a far greater majority, if the lazy voters had gone to the polls. Strong political factions were arrayed against the commission, and through the use of the much-abused cry, "More representative government," they were able to garner some 9,000 votes.

The movement to overthrow the present form of government dates back several years. Political bosses, who were deprived of their power when the charter was adopted in 1917, have repeatedly tried to discredit the charter.

HOLLOW GRIEVANCES

The real campaign was started in January of this year, by the officers of the local Trades and Labor Council,

when they seized upon a section of the charter, dealing with city contracts and the number of hours that constitute a day's work. Due to short seasons, contractors were forced to employ men longer than eight hours per day, as set by the charter. The men received pay for this overtime work, and were satisfied. However, this arrangement did not suit the labor officers; hence, a communication was sent to the city commission requesting the strict enforcement of the eight-hour provision. The city's legal department ruled that although the charter specified that eight hours shall constitute a day's work, it did not prohibit a longer day. It was also clearly shown that the section in question was analogous to the state statute, which says ten hours shall constitute a day's work. The commission acted in accordance with this legal decision, and the Trades and Labor officials were thereby furnished the necessary ammunition. In spite of the fact that many working men were not in favor of a mandate that prohibited them from working

overtime for additional compensation, the campaign was immediately launched. If the whole intent and purpose of these labor leaders had been the eight-hour law and its enforcement, a constructive program should have been outlined at this time to formulate and foster an amendment to the charter that would put new teeth in the eight-hour provision. But no, this fracas was simply all camouflage to justify themselves in the promulgation of a campaign to return the city to aldermanic rule.

To hide the real sponsors of the movement, and to give the old line politicians an opportunity to get into the game, the Municipal League was formed and offices opened. Realizing that the people would not countenance a complete revision of the charter, this organization initiated several charter amendments that would give back to Grand Rapids all the viciousness of the old system, viz., sectional representation and ward elections, and the long ballot. To be specific, the amendments provided for the redistricting of the city into twelve wards (there are now three); for the election of twelve aldermen from and by the wards, in place of the seven commissioners elected at large; and for the election, instead of appointment, of city attorney, city clerk, and city treasurer.

The eight-hour question had served its purpose and was dropped because it was so unpopular in every quarter. The cry of "high taxes" was sounded, but was spiked when a report compiled by the Grand Rapids Citizens' League was published showing that Grand Rapids enjoyed one of the lowest tax rates in the country. Finally, the slogan of "More Representative Government" was adopted. This was clung to tenaciously, despite the fact that this same faction is better represented under the present form of gov-

ernment than under the old aldermanic rule.

The Grand Rapids Citizens' League, a non-partisan, non-sectarian organization, which was first organized to help carry the present charter, led the defense against the vicious charter amendments. The three daily newspapers carried both sides of the campaign in splendid shape. Almost every edition carried editorial support of the commission-manager form of government. Letters from various cities were published every day, proclaiming the advantages of the commission-manager form of government.

THE INTENT OF THE AMENDMENTS

The seven principal counts against the charter amendments, as outlined by the Citizens' League were:

(1) The amendments provide for the old discredited twelve ward system, and the method of electing aldermen or commissioners from wards. Unity and co-operation would be forgotten, and sectional development would replace the development of Grand Rapids as a whole.

(2) No provision has been made for reduced salaries; hence, the twelve aldermen and mayor would receive the same salaries as the present seven commissioners.

(3) The city would be compelled to elect twenty-four constables to perform the work now done by six.

(4) The amendments provide for the election of all twelve aldermen, mayor and other officials every two years. Only minor offices would be filled in the alternate years, thereby creating unnecessary election expense.

(5) The amendments exclude the city assessors from membership on the board of supervisors. In view of the fact that every member of the board from the rural districts is an

assessing officer, this exclusion of city members trained in tax problems would be a distinct loss to the taxpayers of Grand Rapids.

(6) The amendments create more elective offices, harking back to the long ballot, known as "the politician's ballot."

(7) The proposal as a whole means a possible disruption of the entire charter, and might lead the city into embarrassing legal entanglements.

THE ACHIEVEMENTS, UNDER THE PRESENT PLAN

The most effective campaign material was the record of accomplishments under the commission-manager government. This was published in the daily newspapers and in the *Sentinel*, the official publication of the League. This record is summarized below:

To-day, not only in Grand Rapids, but in every other city where government is vested in small commissions, elected at large, there is no room for the political boss. The one aim in our city government to-day is to produce a dollar's worth of service for every dollar of tax money spent. This is illustrated in the several reports filed with the city manager recently.

The public service department has been placed on a strictly business basis since the adoption of the commission-manager form of government in Grand Rapids. EFFICIENCY is the keynote. Ability is regarded as a more essential quality of city employees than political influence. Employees are more enthusiastic over their work, because they are being paid more nearly what their services are worth. A comparison of the number of employees in the service department, January 1st, 1921, with January 1st, 1916, shows that there are three less employees at the present time; yet, the work in

every division has increased materially. A saving of \$8,000 was effected when plans for the new filter plant extension were drawn.

A complete metering of all water service has reduced the consumption per capita from 200 gallons per day to 98 gallons per day, under the present meter system. This is a definite example of elimination of waste.

In 1920, 18,750,580 lbs. of garbage was collected with a force of 32 men, while in 1916, before the adoption of the new charter, 13,079,999 lbs. required 39 men.

The health department has a splendid record. The new Isolation Hospital has been built and the entire cost has been absorbed in the regular departmental budget. A physician specializing in the care and treatment of persons afflicted with tuberculosis has been employed and placed in charge of the sanitarium and all clinics. Nutritional clinics have been established in the public schools and schools of instruction are held for mothers. Three additional dental clinics have been established. All bacteriological work is now being done by a city chemist, thereby saving the city money formerly spent for the services of the bacteriologist. A full time nurse has been added to the staff of the city physician, thus giving better care to the dependent sick. Through careful supervision, serious epidemics have been avoided.

New ordinances now regulate the sale of milk, cream, and buttermilk, and the manufacture of ice cream, and provide for the inspection of slaughter houses. Work done by the department under these ordinances has increased as follows:

Milk and cream tests, 88%; milk wagon inspections, 93%; meat market inspections, 248%; restaurant inspections, 879%, and bakery inspections, 260%. This increase has been at-

tained with the addition of only one man to the staff of employees.

Shortly after the commission-manager form of government went into effect, a social service staff was established to care for the indigent and unfortunate of the city. This division, last year, came in contact with 903 families, and in 58% of the cases complete relief was given through reconstructive and guidance work, and did not require the giving of material or medical aid.

Since 1916 the police department has been able to reduce its force from 168 to 120, yet recoveries have grown steadily, until in 1920 the amount of stolen property recovered amounted to 97¹/₂%. Under the commission-manager form of government, politics have been entirely eliminated from the police department. Police court fines, which formerly went to the state, are now turned into the city treasury. This means a saving of \$30,000.

In the fire department the double platoon system has been installed which has increased the inspection work from 13,000 to 46,000 inspections per year. Fire losses amounted to only \$1.53 per capita in 1920. This is a remarkable showing, considering the high cost of building replacements. Nearly all repair work is now being done by the department, which has resulted in an annual saving of \$13,000 to the taxpayers of Grand Rapids.

The city clerk's office has effected a saving of \$1,000 in the printing of official proceedings. Revenue from license fees has increased over 66% since 1916.

The purchasing department has effected many savings for the city. The centralization of purchases gives an opportunity to purchase in quantities, which reflects directly to the benefit of the city, because of discounts and quantity prices.

When the present form of government came into existence, the city attorney inherited many cases from the old régime, all of which have been disposed of. Under the old form of government no effort was made to collect past due personal taxes, and it was assumed that estates in the hands of trustees, in bankruptcy, receivers or trustees under trust mortgage, were not collectable. Under the commission form of government suits were instituted to fix liability, and decisions were obtained authorizing collections. The total amount collected on delinquent claims and delinquent taxes and upon receivership estates, has amounted to approximately \$50,000.

Several changes have been made in the city treasurer's office that have brought the department closer to the people. Tax notices are now mailed to property owners. It was impossible to cover the entire field this year, but official reports from one-third of the city show that on March 1st, \$6,000 more was collected than at the same time last year in state and county taxes. The city gets the benefit of a 4 per cent charge on this amount that reverted to the county in former years.

Under the old form of government the city assessors did not hold office on the board of supervisors. To-day, by their direct representation on the board, they are able, by reason of their knowledge of tax matters, to save the taxpayers of Grand Rapids thousands of dollars. When the commission took office the city assessors called attention to the fact that there was a large amount of property on the exempt rolls that in their opinion should be stricken off. The matter was referred to the welfare committee and the exemptions were gone over carefully. People were notified to come in and present their reasons for claiming exemption and as a result, about

\$1,000,000 was stricken from the exempt rolls. Those who by reason of poverty were unable to meet their taxes were left on.

STRONGER THAN IN 1916

As stated before, this record was placed before every voter urging that it receive full consideration.

The final gun was fired by the Citizens' League in the shape of a terse message to the voters just before election day:

Grand Rapids enjoys, under the present commission-manager form of government, a compact, orderly, smooth-working governing body composed of conscientious, intelligent men who are directing the affairs of this community for the best interests of all the citizens, with the result, Mr. and Mrs. Voter, that you have been furnished with the greatest amount of public good at the least possible cost. If you desire to retain this kind of government so that still greater bene-

fits may be secured in the future, you should go to the polls on April 3rd and vote "NO" on the charter amendments that provide for a virtual return to the worn-out, inefficient system of aldermanic government. In so doing you will be able to say next year, as you can honestly say today, "Grand Rapids is a good place to live."

The vote as cast demonstrates clearly, when compared with the first vote on the present form of government, that the present plan has gained much ground since 1916. In addition to this, there were many voters, in my opinion, who voted to go backwards simply because they did not understand the commission-manager government and its advantages over the old system. A program of education and official publicity dealing with the municipal government and its official acts will win many men and women this year to the standard of business efficiency in the conduct of municipal affairs in Grand Rapids.

THE DEFEAT OF CITY-COUNTY CONSOLIDATION IN ALAMEDA

BY E. W. WILLIAMS

Secretary of the Tax Association of Alameda County, California

A ten-year campaign and a most important pioneer attempt to consolidate a metropolitan area under a single city-county government with a city-and-county manager came finally to defeat in Alameda County in February. :: :: :: :: :: :: ::

FOR many years the question of consolidating city and county government in Alameda County, California, has been under discussion by civic organizations and other bodies.

Ninety per cent of the population of Alameda County reside in the western portion of the county. This western portion contains only 10 per cent of the total area of the whole county, forming a natural and complete metropolitan area, yet it supports seven separate municipalities and is topped with a

county government. No unincorporated territory intervenes the boundaries of the seven cities. Notwithstanding that the growth, habits, needs and common interests of the people of the western portion of the county had long since obliterated the arbitrary boundaries set up to keep the cities apart when this area was rural, and that their interests have become coincident rather than diverse, the local pride of each community would not down. Only one of the municipalities, Oakland, the

largest, appeared to be clamoring for consolidation.

The city of Oakland with a population of 220,000, comprising about 60 per cent of the total population of the county and paying 60 per cent of the total cost of county government, had long wished to relieve itself of dual government. There were many who felt that rather than be burdened with the costs of two governments, it would be better for Oakland to separate itself from the rest of the county and form a consolidated government of its own. There were equally as many others who favored a consolidation, yet felt that the whole western portion of Alameda County comprising the seven cities should be treated as a single administrative unit. They were not opposed to separation from the rural portion of the county, but believed that inasmuch as the needs of the seven cities were identical, and as these cities formed a compact urban area, there should be no dismemberment—at least no attempt at dismembership should be undertaken by Oakland initiating proceedings until an invitation had been extended to all to participate.

Many of the leading citizens of Berkeley felt that Berkeley was in an unique position; that by reason of it being the seat of the State University with 10,000 students, its aims and needs were different; that it was purely a residential city and, with its population of 65,000, it would be better off if it maintained a consolidated city and county of its own. Others in Berkeley favored consolidation of the whole county under a system of boroughs, and there were quite a few who believed that Berkeley should permit Oakland to proceed alone to form a separate city and county—and, if it demonstrated the efficiency of such a government, that Berkeley could later join Oakland.

The city of Alameda, containing a

population of 29,000, the majority of whom commuted to and from San Francisco each day, as their business was located in San Francisco, had always been adverse to joining Oakland. It much preferred to cast its lot with San Francisco—in fact, it had once voted to do so. Yet there were many in Alameda who thought that possibly under a proper charter and a system of boroughs Alameda might favor the plan; that the economies that could be effected by the cutting out of many duplicating agencies was worth the attempt.

As to the combined city and county tax rates of the three largest cities, *i.e.*, Oakland, Berkeley, and Alameda, based upon an equalization of true values as to assessment, there was very little difference. The smaller municipalities however—Piedmont, Emeryville, Albany, San Leandro, Hayward, Pleasanton, and Livermore—each had a much lower tax rate than the larger cities. Their rates, however, varied considerably. None of the smaller cities had a population of over 5,000—their average was 3,000. A few were backward communities. Emeryville had a tax rate for city purposes of 75 cents on each One Hundred Dollars' worth of assessed valuation. It was far behind the times in providing those things progressive communities are providing to-day. Emeryville's area lies directly between Oakland and Berkeley with no unincorporated territory intervening. By reason of its low tax rate it was able to and did attract many manufacturing plants.

Piedmont's location is unique to say the least—unique in that Oakland entirely surrounds it—an island you might say. Piedmont was incorporated prior to Oakland annexing territory surrounding it. Piedmont is a community of homes with no stores or business houses within its limits. It is a

wealthy community; the majority of its residents, like those of Alameda, commute to and from San Francisco each day. Its wants are few; its municipal government excellent and its tax rate exceedingly low, with the result that the majority of its people favored retaining full control over their local problems.

There were, however, many, not a majority, who were disposed not to stand in the way of greater consolidation, providing a proper borough system could be arranged.

On the whole the question presented many angles and difficulties—obviously so for the reason that not alone was it desirable to consolidate or merge the several cities, but also to do away with the cumbersome and overtopping county government with its attendant and expensive duplications. Maintaining seven separate municipal governments in a congested metropolitan area and on top a county government, the activities of which parallel in many instances the activities of the cities, could only result in a conflict of administrative authority and was bound to cause a great waste of time, energy and money. The question was how to bring the matter to a vote, and to enable the people of the several cities to vote intelligently, show them their partnership in the new government. The only way was to change the constitution of the state and permit the drafting of a charter for consolidation prior to submitting the question at an election.

WHY THE OLD PROVISION IS UNUSED

The Constitution already contained a provision under which any city having a population of 50,000 or more could proceed to form a consolidated city and county government and extend an invitation to other contiguous cities

and also unincorporated territory to join with it. Unfortunately, however, under this section the drafting of a charter would come after the proposal to consolidate was to be voted upon. Thus in submitting the proposal to other cities to join, the cities would not know in advance the provisions of the charter under which they would be governed. In other words, they would not know their interest in the partnership; consequently, it was thought futile to seek a merger under provisions that placed the cart before the horse. It was obvious that before submitting the question calling for an expression or vote, the charter or partnership papers under which the cities and the county were to be asked to federate should be prepared showing the particular form of government proposed and if a system of boroughs was contemplated, the rights and powers of each borough should also be shown.

Local pride in certain communities, particularly in the College City, Berkeley, where the University of the State of California is situated, made manifest that no consolidation could be effected except under a system of boroughs, and even under boroughs it was a grave question as to what administrative powers the people of Berkeley and the other localities would be willing to relinquish to the central government.

THE NEW AMENDMENT

It was such conditions that caused the enactment of the latest amendment to the State Constitution, the amendment under which the recent elections in Alameda County were held. The outward expressions of the people prior to the adoption of the amendment appeared to favor some sort of a consolidation. It was difficult, however, to determine just what sort should be

proposed. Therefore the amendment provided for consolidation of the whole county or an alternative—consolidation of a lesser area.

This amendment provided that the interests of all of the cities within the county (numbering ten in all) and that of the county may be merged and consolidated into one municipal government, with one set of offices, with or without a system of boroughs. The amendment also provided that a lesser area than that of the whole county, provided this lesser area obtained the consent of a majority of the electors of the whole county, may form such a consolidated city and county government, with the further proviso that the lesser area must include within its boundary any city having a population of 150,000 or over.

The amendment to the Constitution was prepared by the Tax Association of Alameda County, and was adopted in 1918. Among other things, it provided:

That before the question was submitted to the electors of the several cities, fifteen freeholders should be elected from the body of the county.

That said freeholders be empowered to draft a charter for a consolidated city and county government of the whole county, with or without a system of boroughs.

That should the freeholders determine a lesser area than that of the whole county desired to consolidate, the freeholders may submit the question in the alternative. In any event such separation must have the consent of a majority vote of the county.

HISTORY OF MOVEMENT

1920

Petition circulated and filed with board of supervisors requesting calling election for board of fifteen freeholders, to prepare and submit a charter for

consolidated city and county government.

1921

Fifteen freeholders elected. Charter prepared and filed August 9, 1921.

Alternative

Freeholders decide to submit question in the alternative, that is, providing that if a majority favorable vote was not obtained in all of the cities in the county making consolidation of the whole county possible, then a lesser area, which area must include any city having a population of 150,000 or over, by obtaining consent of a majority of the electors in the county, may proceed to form a consolidated government separating itself from the remainder of the county.

Provisions of Charter

The charter provided for a borough system, the boroughs to be the present cities of Alameda County; boroughs to have a small amount of local autonomy in matters of city planning, etc.

Charter also provided for seven councilmen to be elected from districts. Charter provided for a city and county manager to be appointed by and removed by council. Provided for mayor to be selected by council from its membership. Mayor to appoint members of board of education, nine in all; also the members of the civil service commission.

Elective Officers

The council, judges, assessor, auditor, and district attorney to be elective.

Appointive Officers

All other officers to be appointed by the city manager.

Civil Service Provisions

Charter provided for a system of civil service, excluding therefrom certain heads of departments who were to

be appointed by city manager. Civil service employes could be removed for cause by the manager. No right of appeal, however, was provided.

November 15

Election was held separately in all of the incorporated cities and towns in the county. The question submitted was: "Shall the cities and the county form a consolidated government under a system of boroughs to be governed by the proposed charter?"

Result of First Election

The proposition received a favorable vote in only one city, that of Oakland. All of the other cities (nine in all) voted against the proposal.

Further Proceedings

Oakland, the largest city having voted favorably and the question having been submitted in the alternative, the freeholders met again and defined the new boundaries. The proposal was then submitted as an indivisible question to the electors of the whole county at a special election.

Second Election 1922

On February 7, 1922, a special election was held. The main question submitted to the electors of the whole county as an indivisible question was: "Shall Oakland, Piedmont and Emeryville be permitted to separate from the original county of Alameda and form a separate city and county to be known as the City and County of Oakland?" Piedmont and Emeryville were included for the reason that if Oakland separated they would not be contiguous to the remainder of the county. Such a proceeding was permissible under the Constitution.

Light Vote

The proposal was defeated in the whole county, the vote being 17,000 for and 35,000 against.

The total registration of the county approximated 158,000, yet only 52,000 votes were cast at the election.

The light vote cast on such an important question can only be explained by reason of the strenuous campaign by the county officials as well as the officials of the several cities. The campaign against the proposal consisted mainly in attempts to cloud the issue and create a doubt in the minds of the people. It is a well-known fact that in matters of changes of governments or of laws whereon the people vote, the opponents only have to create a doubt in the minds of the people to cause them to stay away from the polls, or, if they vote, to vote "No." How often have we heard: "If in doubt, vote No." Four thousand employes in Alameda County, organized as never before, campaigned strenuously night and day for weeks creating that doubt with the result that many thousands of the electors stayed away from the polls. The politicians and their friends are always "on the job," and voted.

At the last presidential election, Alameda County cast 110,000 votes. At the recent consolidation election less than half of that number, or only 52,000 votes, were cast out of a total registration of 158,000.

At the second election naturally the division of the county cut quite a figure. Almost a unanimous press fought division. The opposition of the press plus the opposition of 4,000 well-organized officials and public employes and their friends was too much of an obstacle for the proponents to overcome.

Certain provisions of the proposed charter, too, had many objectors. Rightfully or wrongfully, conscientiously or unconscientiously, the attack on certain provisions of the charter lost the proposal many votes and also caused many who otherwise believed in

consolidation to stay away from the polls.

Chief Points of Attack by Opponents

Opponents claimed that the election of the council by districts was bad in principle and savored getting back into ward politics.

That a council of seven having only legislative powers was too small and not truly representative of the whole county.

That the appointment and removal of the manager by only four votes out of seven would tend to create a political machine and compel the manager to be always playing politics.

That the manager's power to "hire and fire" for cause, without the right to appeal, would disrupt civil service. That the vast amount of power given the manager made him a "Czar."

That the manager was not subject to recall.

That the appointment of all heads of departments and boards by the manager such as the sheriff, county clerk, city engineer, city attorney, chief of police, fire chief, tax collector, treasurer, coroner, director of public works, etc., would tend to build up a political machine and was undemocratic.

That the mayor should be elected by the people and not selected by the council from its membership.

That the appointment of the board of education by the mayor removed the educational department too far from the people.

One of the strongest objections was to the civil service provisions, which provisions did not provide for the right of appeal by a discharged employee. The provisions only provided that the discharged employee be given a written statement of the reasons of his discharge.

At the first election, while many of the provisions of the charter were

objected to, the most violent objections outside of the city of Oakland were directed against the borough provisions. The cities were to be organized as boroughs, but little or no local autonomy, however, was granted the boroughs. They might propose, but the council of the general government could overrule in many matters.

THE MERITS OF THE PROJECT

At the first election proponents of consolidation presented figures showing that consolidation of all of the cities and the county would save \$1,500,000 per year. Naturally the officeholders disputed these figures. Their main argument was that the charter fixed the salaries of only a few of the officials and did not fix the number of subordinates, and that no one could tell just what salaries or number of employees the new council would allow. It was also claimed that in failing to fix the number of employees and their salaries, the charter was wide open at both ends and in the middle. An absurd and ridiculous claim and absolutely without merit! Any charter bound up with limitations and restrictions as to the number of employees or the amount that should be paid said employees would tie the hands of government and make impossible proper functioning of departments.

During the campaign prior to the second election whereat the question of Oakland, Piedmont and Emeryville separating from the remainder of the county was submitted, proponents presented figures showing that the area proposed to be consolidated and therefore separated from the remainder of the county contained about 64 per cent of the population and about the same per cent of the wealth or assessed valuation. They also presented data and figures showing that under such

consolidation tangible savings of \$776,000 annually could be effected. These figures were prepared by the Tax Association after a thorough survey of the situation. The figures were submitted to and gone over by two of the leading certified accountant firms in the state. The two firms certified that "the annual saving which should be effected by the proper consolidation under the charter is approximately \$776,000, without taking into consideration or inclusion of economies that should be effected through centralized purchasing of supplies and greater efficiency of administration."

Opponents of consolidation wanted proof and still disputed the savings, claiming such savings were impossible to figure. I have always wondered how you could absolutely prove the cost of a government before it was established.

THE OPPOSITION

During the campaign prior to the first election, much bitterness was displayed in certain localities—all of it seemed to be directed at Oakland. The several localities claimed that Oakland was trying to gobble them up. The bitterness became acute. The statements made by Alameda and other smaller cities to the effect that they would never vote at the election or later to join Oakland, made it manifest that if Oakland voted favorably at the first election, and if it ever wished to rid itself of dual government it must continue the fight even if it had to go it alone.

The result of the first election showed that although the proposal was defeated as to consolidation of the whole county, nevertheless, Oakland had voted favorably; consequently the calling of a second election on the alternative proposition was mandatory in order to determine whether the people of the

whole county would permit Oakland to separate. Inasmuch as the second election was mandatory there seemed to be nothing else for the proponents to do, but to still favor the plan.

The question to be determined by the original advocates of consolidation and those who had carried the blunt of the campaign up to the first election was: Shall Oakland with 60 per cent of the county's population and paying 60 per cent of the cost of county government continue under its dual and expensive system, or shall it proceed and make a start by shaking off the dual system and demonstrate the efficiency of a consolidated city and county and the manager plan, trusting that later the localities then opposed would vote to join.

Thus a condition was changed—for it must be truly said that the Tax Association and other civic organizations, who for years had favored city and county consolidation, always proceeded upon the theory that any consolidation contemplated should at least include the whole metropolitan area. In that it did not so include this area they were disappointed. They figured, however, that half a loaf was better than none, and that it might eventually lead up to greater consolidation.

The same arguments against the proposal and the charter were used in the second election as were used in the first, with the additional argument against division of the county. The anti-division cry was the strongest and in the final analysis had more to do with defeat at the second election than anything else.

Many well-intentioned plans fail. This will be ever so unless all of the people interest themselves in government, at least interest themselves to the extent of voting at all elections. For the time being consolidation of Alameda County and its cities has been

defeated. But in this defeat even the bitterest opponents concede that some day the hopes of the consolidationists will be realized. The opponents polled their full strength. For some reason over 100,000 registered electors out of a total of 158,000 registered failed to vote.

NEXT?

In the result we have witnessed political history repeating itself. Every forward-looking program that has been proposed, since the birth of the Nation, has, as a rule, been defeated on the first attempt. All new departures have suffered similar fate, but they have won out in the end just as consolidation and the manager type of government for Alameda County will win in the end. Those who for many years have been on the firing line "keeping the light of publicity burning" in the campaign for better government have not become disheartened because of defeat. They realize that the overpowering menace confronting all such movements is public apathy. They take some hope from the fact that other localities throughout the United States are coming to the realization that county government as organized today is a failure; that its abolition in all metropolitan areas is being advocated throughout the United States. In

Cleveland, Minneapolis, Milwaukee, Los Angeles, Portland and many other places, the movement has taken root.

The public has never failed in finally securing changes or reforms that it demands. The matter, however, is one that entirely rests in the hands of the people, but the people must be educated to a proper understanding of the business of government.

When the people recognize that government is a business, and that it is susceptible of efficient conduct and that the best interests of the Nation demand efficiency and economy in the expending of public funds; when they realize that the government is theirs and that civic duty demands that they take part in all elections, then will the way be cleared for a type of community government that will eliminate every form of county and municipal waste, substituting therefor the highest type of a city and county government with its great benefits in place of the archaic patchwork now so inadequately serving the needs of the communities.

It is too early to predict the next step. The movement for a more efficient government in Alameda County is not dead. The work already done has not been wasted. If it has helped to teach the people to know their local government, it was worth the time and effort spent in the campaign.

FIGHTING RATE INCREASES BY THE RECALL

BY J. D. BARNETT

In academic discussions it used to be often asserted that judicial officers might be recalled for making correct but unpopular decisions. Now at last we have a case similar to it. :: :: :: ::

EARLY in March, 1921, an order of the public service commission authorizing what seemed to be an outrageous increase of telephone rates, following as it did other utility rate increases, aroused fierce resentment throughout the state, and immediately a movement to recall the three commissioners began. But the law protects officers against recall until after six months' service, and thus only one member of the commission, the one elected in the state at large, was subject to immediate attack. It was the intention to subject him to a recall election at the same time as the special June referendum election, and, after getting the "people's verdict" in his case, to settle with the others, elected in the two districts of the state, at a later special recall election.

A central committee for the recall campaign was formed in Portland, and, "to take the liability from individuals, give the committee standing in law, and give the organization permanence," the committee was incorporated. Support came from local organizations in various parts of the state—city councils, granges, special committees, etc., and many individuals volunteered to circulate recall petitions. The Law and Order League opposed the recall. Portland continued to be the center of agitation throughout the campaign.

In the formal charge against each

commissioner the recall is demanded "for the reason that he is inefficient, and fails to give proper consideration to the public interests in permitting and fixing unreasonable and unjust rates and charges to be charged for telephones by telephone companies." The commissioners answered that their action had been entirely justified by the circumstances of the case.

Early in the campaign two alternative remedies were suggested—petition to the commission for a rehearing and appeal to the courts. The latter was avoided, but a petition for rehearing was filed. After a month's delay the commission ordered a rehearing, finally fixed for the middle of July.

Apparently enough signatures for the petition against the commissioner-at-large (twenty-five per cent of the number of voters who voted at the preceding general election for justice of the supreme court) had been obtained before the rehearing opened. By that time the six months' exemption period for the district commissioners had expired, and the "crusade" against them began immediately. The recall committee declared they had no hope of any favorable results from the rehearing, but they were accused of using the threat of recall to influence the decision of the commission. That decision was not made until late in February. The commission then reaffirmed their original order in every par-

ticular, and at the same time delivered a violent and absolutely uncalled for tirade against the petitioners for their affrontery in demanding the rehearing. This aroused general indignation, and greatly stimulated the recall movement. Enough signatures to the petitions against the commissioner-at-large and one of the district commissioners were obtained in time to fix the recall election at the same time as the direct primary election in May. Not enough signatures to the petition against the other commissioner were obtained.

Not a suggestion of candidates to succeed the commissioners attacked was made public until less than two weeks before the election. Then a "somewhat stormy" convention under the auspices of the recall committee nominated a candidate to oppose each of the commissioners, another Portland convention nominated one of the candidates rejected by the committee's convention, and endorsed the other, and a third Portland committee nominated two other candidates. Two of the nominees declined, and so finally two candidates appeared on the ballot opposed to one of the commissioners attacked, and one candidate against the other.

Before the recall petitions were filed, an alternative to the recall was proposed—the initiation of a measure or measures to be submitted at the November general election, which would

substitute a commission appointed by the governor for the elective commission, and authorize a review of the rate decision by the new commission. Such measures were finally drafted and petitions circulated for them by the Hotelmen's Association, whose members had been hard hit by the rate increases. The (very probable) approval of these measures would terminate the office of all the commissioners immediately, and thus make the terms of the officers substituted by the recall election very short; and the term of the commissioner-at-large attacked would expire in December anyway. But the recall committee saw no incompatibility between the two movements, and proceeded to file the recall petitions. The commissioners attacked refused to resign (which they may do under the law to avoid a recall), and a recall election was duly ordered.

Arguments for the alternative of the initiative measures, in justification of the increased rates, against the recall as a method of correcting administrative errors, against the principle of the recall system itself, and against the danger in putting unknown individuals into office apparently did not prevail with most of the voters, who felt themselves both unduly burdened by the increased rates and insulted by the commissioners. The commissioners were both recalled by large majorities.

CONGRESS CONSIDERS THE FEDERAL EMPLOYEE

BY ROBERT MOSES

A decade of agitation, three years of investigation and a compromise in sight. Budget and Civil Service—the distinction between the job and the employee. :: :: :: :: :: :: :: ::

I

THE movement to improve the government personnel and to establish a definite and equitable employment policy was slow to reach Washington. The larger cities and states became dissatisfied with the negative recruiting aspects of civil service reform and proceeded by means of salary standardization, budget reform and civil service reorganization to develop a positive program of personnel management long before Congress gave any serious thought to this question. There are at least three reasons why Congress has been slow to act. In the first place, the central group of federal employees in the District of Columbia do not vote and the other federal employees, excepting the postal service which is already fairly well classified and a very few others, are too scattered to be politically influential. In the second place, the absence of an executive federal budget system and unco-ordinated congressional committee appropriation methods prevented the development of any uniform policy. In the third place, the improvement and extension of civil service has been and to a considerable extent still is positively unpopular in a number of influential circles in Congress. In these circles the civil service principle is reluctantly recognized only on account of the weight of popular opinion

and only in its negative aspects. Some of these groups are frankly hard-boiled and demand the spoils for the victors, some render lip service to the merit system but think it should be restricted to what they call subordinates or clerks, and some loudly proclaim that no successful business, least of all a government, can be run on civil service principles and that if a good two-fisted business man could fire half the federal employees, there would be plenty of good jobs for the rest without any uplift surveys. All of these groups, by whatever name or creed, unite in a common dislike of personnel improvement and give a ready ear to the wildest stories of inefficiency, loafing and crookedness in the government departments.

It is difficult to say what proportion of Congress resides in the anti-civil service groups. It is certainly a steadily decreasing minority; and it is only fair to say that the reclassification movement has done much to enlighten Congress on the subject of federal employment, and that the great majority in Congress, having recognized the problem, is genuinely anxious to cope with it.

II

The awakening of Congress was largely due to the employees themselves. They organized as a union affiliated with the American Federa-

tion of Labor. As an academic question it may be interesting to discuss whether or not government employees should unionize. But this was far from an academic question. The more progressive and dissatisfied among the hundreds of thousands of federal employees believed, and probably rightly, that unionizing presented the only way of improving intolerable conditions. The head of the Federation of Federal Employees had observed the results of intelligent budget making, modern civil service administration, and salary standardization in other government units. He carried his ideas to Washington and in the course of time with the influence of his union and of other interested groups inside and outside of the service succeeded in getting a congressional committee appointed to study employment and salary conditions in the federal service with a view to reclassifying the service. The so-called Reclassification Commission consisted of three lame duck congressmen who had been defeated for re-election and were kept on the federal payroll as members of this Commission, and three senators. Of the lame duck congressmen one was a real asset to the commission and was to a considerable extent, responsible for its producing anything of value. Of the three senators, two gave very little time to the Commission and the third, who had taken up aviation as the serious business of life, gave practically no time at all. The Commission employed a firm of professional accountants to direct the staff work, and brought about the assignment of a number of employees from the various departments to assist in the specialized subdivisions of the study. An immense amount of information was collected, most of it unfortunately in a form not readily kept up to date. The work was fairly well directed but was necessarily uneven

because of the character of the force which was employed. Toward the end of the study the Commission foolishly divided the responsibility for the staff work which came to an abrupt end when only enough funds remained to print the report. The report itself was a monumental work containing much valuable information and a voluminous bill and classification such as no Congress of this generation would conceivably adopt.

The principal defects pointed out by the Commission in the personnel administration of the federal government were lack of uniformity in salaries, failure of salaries to keep pace with the cost of living, absence of proper standards relating salary to work performed and to titles, the existence, side by side, of unrestricted lump sum appropriations and of rigid statutory appropriations, the absence of a proper promotion system and of a plan of regular increases in salary within grades, and finally the absence of uniform rules governing working hours, sick leave, housing and welfare, safety, probation, training, testing of efficiency and transfers. The Commission concluded that the results of these defects were impaired morale, excessive turnover, waste and inefficiency in the government service, and a general condition of employment unattractive to a desirable type of technical employee.

There can be no doubt that the Reclassification Commission's report contained most of the fundamental principles on which any sound plan of improvement in government personnel must rest. However, the bill and classification in which these principles were incorporated were in many respects defective or ill-considered. The bill contained detailed welfare and civil service provisions which should either have been the subject of executive order or departmental regulation,

or should, at least, have been incorporated in a separate bill. The proposed classification was absurdly complicated, contained many errors and inequalities, and would have been the subject of endless controversy in Congress if anyone had taken it seriously. The entire administration of the classification was placed under the civil service commission including fixation and control over all salaries and the allocation of all employees to their proper positions under the classification.

III

The report and bill attracted a great deal of attention and considerable favorable comment but made no progress. The Federation of Federal Employees then employed the writer of this article, who, with Mr. Morris B. Lambie, prepared a brief for the Federation, recommending a revision of the reclassification bill. In addition to the criticisms mentioned above, this brief pointed out that the Reclassification Commission had failed to consider the imminent passage of a budget bill. It was pointed out that about half the work of the Budget Bureau should deal directly with personnel and organization and that the proposed control over salaries by the Civil Service Commission would seriously interfere with the functions of the Budget Bureau. It was also pointed out that numerous positions in all branches of the government were not in the classified service and that there was no likelihood that Congress would consent to place them there. The fact was also emphasized that a centralized employment agency is workable in private industry but impossible in the federal service where there is no one final authority. The theory of separation of powers and of checks and balances presents a serious obstacle to the es-

tablishment in our federal government of a uniform and equitable policy of employment. Both Congress and the Executive are slow to surrender their prerogatives. The establishment of an executive budget system has served in part to bridge this gap. What is required in addition is a standard classification of positions and salaries constituting an agreement renewed from year to year and always reflecting the needs of the service and the economic conditions of the day. Under this agreement Congress assures the Executive of adequate salaries and employment conditions for the government personnel, and the Executive promises to recommend the most economical establishments possible through his Budget Bureau, and after the budget is adopted agrees through the Civil Service Commission to obtain and maintain a qualified loyal and efficient personnel. The relative functions of the Budget Bureau and Civil Service Commission are of immense importance. The control over salaries and grades of positions and the recommendation of changes to Congress is a budgetary function, indeed it is fully half and the most difficult half of the work of a budget bureau. The problem of filling positions, of dealing with the employee as an individual, is the function of the Civil Service Commission. The brief which we presented indicated that the most serious error of the Reclassification Commission lay in its attempt to place in the hands of the Civil Service Commission powers which inherently belonged to Congress or to the Budget Bureau.

The subsequent history of employment reorganization centers about this problem of administration of standards; although many other problems and personalities deserve mention. This history is most readily

followed by a brief analysis of the various classification bills introduced in Congress. There were four such bills.

(1) The original Reclassification Commission bill introduced by Representative Fairchild which made no progress.

(2) A bill introduced by Senator Smoot and Representative Wood which would have placed the entire interpretation and administration of a skeleton classification in the hands of the United States Bureau of Efficiency. This bill was bitterly opposed by all the groups interested in sound reclassification. It was finally voted down in the House section by section, and as a whole.

(3) Senator Sterling's Bill which placed the administration of the new classification in the Civil Service Commission but otherwise followed in most essentials the Lehlbach Bill mentioned below.

(4) The Lehlbach Bill. This bill was originally prepared by the writer of this article who was employed as a technical advisor by the Chairman of the House of Representatives Committee on Reform in the Civil Service, Frederick R. Lehlbach of New Jersey, to revise the Reclassification Commission's report and bill. This was done with the assistance of representatives of the departments and of the Institute of Government Research and resulted in the so-called Lehlbach Bill, which, in a revised and shortened form with the inevitable compromises, passed the House by a vote of 244 to 65 and has been reported favorably with amendments by Senator Sterling, chairman of the Senate Committee on Civil

Service. The principal amendment took the administration of the entire classification out of the Budget Bureau and placed it back under the Civil Service Commission and also gave the Civil Service Commission wide powers to revise the entire classification which the Lehlbach Bill intended to leave in the hands of Congress. The Lehlbach Bill has recently been referred to the Senate Appropriations Committee for consideration of compensation schedules only. It is opposed by Senator Smoot, but is apparently scheduled by the majority for favorable report if and when attention can be diverted from the tariff, soldier bonus and other hot weather subjects. The battle over the administration of the classification will be waged all over again if the Senate adopts the Lehlbach Bill in its present form, and there are other controversial matters to be settled, but some favorable action is fairly certain before Congress adjourns.

The writer has been a little too close to the machinery not to feel the pounding and grinding due to poor repair work, and the rattling of the various monkey wrenches carelessly or maliciously dropped into the works. It is impossible to feel unalloyed enthusiasm for a product which has undergone so many dubious changes and whose most essential principle is in doubt; but the bill in any event represents an immense amount of constructive effort on the part of many earnest people, and even if it passes in its present form will do more than any one act since the establishment of civil service in 1883 to lift up the morale of the federal service.

NOTES AND EVENTS

I. GOVERNMENT AND ADMINISTRATION

The Bacharach Bill to limit the jurisdiction of United States district and circuit courts in public utility rate cases, a bill of unusual interest to cities, has been introduced in the House of Representatives by the Honorable Isaac Bacharach, of New Jersey. It has been the subject of special hearings before the Committee on the Judiciary and has received extensive public discussion. It provides in states with machinery for public utility rate regulation, that in any case when rates have been fixed by a state commission and are not acceptable to the company, and if they are subject to review by the state courts, then the company must first exhaust the possibility of redress in the state courts before it may proceed to the federal courts for relief from the order.

At the present time, if a company is dissatisfied with the rates fixed by a commission, it has the choice of going either to a state court or proceeding directly to the United States District Court, with the right in either course of final appeal to the Supreme Court of the United States. The purpose of the Bacharach bill is to abolish the second course, and to limit the company to the first line of action. While in the great majority of cases, in the past, the companies have resorted to the state courts, recently in some very important cases they have proceeded directly to the federal courts for injunctions against rates fixed by commissions. This course has been taken notably by the Public Service Corporation of New Jersey against electric railway rates fixed by the New Jersey Board of Public Utility Commissioners and by the New York Telephone Company against telephone rates fixed by the Public Service Commission of the State of New York.

There are two arguments of public importance in favor of the Bacharach bill. The first is that the state courts are much closer to local conditions and are thus better able to judge properly all the facts upon which the rates were based. The second is that in the state courts the facts and records on which the commission made its order will be reviewed and will be received directly as evidence, while in the federal court an

entirely new record must be provided, so that all the extensive work of appraisal, receiving proof, sifting evidence, analyzing costs, etc., will have to be done over again without regard to the special prior work of the commission.

If the practice of direct appeal to federal courts were to become extensive, there would be inevitable duplication of work, and piling up of unjustified expense. Moreover, the companies in keenly contested cases would hold back on evidence before the commissions,—depending on the new record before the federal court,—and thus cut into the effectiveness of the commissions' decisions. The fixing of rates and other matters of regulation are primarily of local concern; the commissions, although subject to serious criticism, are special bodies, with technical facilities to carry out state policies. The development of desirable local regulation should not be impeded by appeal to federal courts, which are not properly equipped to handle the special and extremely technical cases.

The United States District Court of the Southern District of New York has issued an injunction against the telephone rates above referred to. The Public Service Commission had devoted many months to investigation and probably because of unstable industrial conditions, had practically kept the case open for adjustment as conditions warranted. It had first granted substantial increases; then on further developments had ordered a moderate reduction; and finally on March 3, effective April 1, 1922, ordered a further cautious decrease—which is the subject of the federal injunction. The case is exceedingly technical, and the commission with all its special facilities has had grave difficulty in reaching a decision. But the order, painstakingly if not painfully derived, has been set aside by the federal court, merely on the presentation of affidavits, and the whole matter will go for determination to a master—who, of course, will know nothing of the facts and, naturally, with lack of special experience, will hardly be competent to pass properly on the facts when presented.

This is exactly the situation which is sought to be avoided by the Bacharach bill, to correct a

situation for which the federal court is not responsible. The measure has already received the active support of the City of New York, Chicago, the New Jersey League of Municipalities, also many other cities which cannot be individually mentioned. It should be vigorously backed by every person and organization interested in effective public utility regulation.

JOHN BAUER.



Arizona Reforms its Finances.—Arizona has made notable progress this year in its fiscal control. Governor Campbell called a special session of the legislature that met during April and upon his recommendation in view of the pressing need for economy passed a sweeping state financial code.

The financial code provides that in the future appropriations to carry on the activities of the state government must be included in a single appropriation bill that is to be submitted by the governor along with the budget to the legislature. The code abolished 179 continuing, revenue, and indefinite appropriations. One example may be cited that indicates what this provision alone accomplished. Before the code was enacted one department that had four continuing appropriations expended approximately \$350,000 per year. Practically no attention had been given to the expenditures of this department by former legislatures because it did not request any appropriation. After the code was adopted, a careful examination was made of the expenditures of this department, and it was found that greater efficiency and a higher standard of work could be maintained with an annual appropriation of \$92,000.

The code abolished all special funds, except the permanent funds prescribed by law, and placed their receipts in the general fund. There are now no idle or dormant funds. The investment and management of permanent funds are prescribed by the code. Expenditures for capital outlays cannot be made until after the money is in the state treasury. Appropriations are classified and expenditures must be itemized according to an object classification that is prescribed by the code.

Under the provisions of the code no state agency can expend more than one-fourth of its appropriation for the fiscal year during any quarter without the approval of the governor and the auditor jointly. By this control, it is proposed to eliminate emergency and deficiency

appropriations in the future. All unencumbered balances of appropriations revert to the treasury at the end of the fiscal year.

Following the enactment of the financial code, the legislature repealed the appropriations for the biennium that had been made the preceding year and enacted a general appropriation bill covering the second year of the biennium—July 1, 1922 to June 30, 1923. By this procedure savings were made immediately that will reduce the state tax levy for the next fiscal year by 33½ per cent.

A. E. BUCK.



A Hodge-podge Administrative Consolidation in Maryland.—Following the recommendations of the reorganization commission in its report to Governor Ritchie last September, the 1922 Maryland legislature enacted a state reorganization bill. This bill was approved by the governor on March 1, and will become effective on January 1, 1923.

The reorganization act provides for placing practically all the administrative agencies of the state government, both constitutional and statutory, in nineteen groups. These groups are as follows: (1) executive department, (2) finance department, (3) department of law, (4) department of education, (5) state board of agriculture and the regents of the university of Maryland, (6) department of militia, (7) department of welfare, (8) department of charities, (9) department of health, (10) department of public works, (11) commissioner of motor vehicles, (12) conservation department, (13) department of public utilities, (14) state industrial accident commission, (15) commissioner of labor and statistics, (16) department of state employment and registration, (17) inspector of tobacco, (18) Maryland state board of censors, and (19) Maryland racing commission. Only nine of these groups or departments are headed by single persons; the others are either administered by commissions or by dual or triple-headed executives. The governor can control by appointment the administration of only about half of the so-called departments. For example, the department of finance is to be administered by three constitutional agencies, namely, the comptroller elected by the people, the treasurer appointed by the legislature, and the board of public works consisting of the governor, comptroller, and treasurer. The department of law is to be under the constitutional elective attorney general.

The internal arrangement of some of the departments is anomalous. The plan provides that the department of finance will have three divisions, namely, financial review and control, deposit and disbursement, and board of public works. The division of financial review and control is to be headed by the comptroller, and the division of deposit and disbursement is to be supervised by the treasurer. The board of public works is the fiscal agent of the state with reference to internal improvements. Under the division of review and control are to be placed an auditor and deputies appointed by and reporting to the governor, the bank commissioner, the insurance commissioner, the state purchasing agent, and the state tax commission. It would seem hardly possible for the comptroller to perform an independent and unbiased audit of the state's expenditures and revenues with all of these administrative units working under him. Of course, the governor appoints practically all of these officers, and this makes the proposed arrangement even more of a hodge-podge. Then the proposed executive department is largely an *omnium gatherum*. It will contain, besides the executive office, the secretary of state, the commissioner of the land office, the state librarian, the parole commissioner, the superintendent of buildings and grounds, the department of legislative reference, and the commissioners for uniform laws. Three of these are constitutional agencies.

Only a few minor boards and agencies are abolished by the act. In most instances others are created to take their places, either in an administrative or an advisory capacity. The plan of regrouping the activities apparently does not reduce the number of state officers and employees, nor does it promise to reduce the cost of administering the government. When the plan goes into operation, it is unlikely that the governor will find himself in any better position for managing the affairs of the state than he is at the present time. On the whole the proposed plan appears not to be a reorganization at all, but merely a sort of consolidation under which the existing administrative agencies are to be corralled in nineteen groups. For this reason the Maryland plan gives less promise of success than any plan of state reorganization yet adopted.

A. E. BUCK.

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The Tax Supervising and Conservation Commission of Multnomah County, Oregon, consists

of three persons appointed by the governor with authority to veto items in the ever-increasing budgets of 17 local tax levying bodies including the city of Portland. Originally it was merely advisory and was ignored; in June 1921 it acquired this veto power. The 17 governments are the County, City of Portland, Dock Commission, Port Commission, the urban School District, 3 towns, 5 water districts and 4 drainage districts, the first five being the important ones and involving the same territory.

Although tax limits have been embodied in the constitution and statutes of Oregon, they have proved to be about as ineffective in really limiting tax burdens as in other states of the Union. In the nature of the case, each of the above units has, year after year, levied its taxes in consideration of its own needs only, irrespective of the relative needs and demands of the other bodies. The inevitable result of this decentralized organization and the failure to get a complete financial picture of the government as a whole has been the pyramiding of taxes.

The new law provides that the Tax Supervising and Conservation Commission shall enforce its budget decision by tax levy certifications. Briefly, the various levying boards are required, on or before the first day of October of each year, to submit to the Commission their detailed budget estimates for the next ensuing fiscal year, giving historical data for three and a half preceding years. Budget hearings before the Commission are provided for. The Commission is not empowered to increase items of the budget unless the increases are requested under emergency circumstances by the levying bodies, and the vote of the Commission has to be unanimous. The law requires the Commission to direct the various levying bodies to levy certain taxes in accordance with its findings and conclusions. In case a levying board does not levy the tax certified by the Commission, the Commission is authorized to make the levy on its own account and the County Assessor is required to extend the Commission's levy on the tax roll, all levies extended contrary to the provisions of this law being declared null and void.

The law has been tested before the courts, through the efforts of the city administration, both as to constitutionality and various points of jurisdiction, and has been sustained in all respects.

Each one of the seventeen levying bodies was given adequate hearing in October, 1921, and

in the case of the city and county these hearings were followed by special hearings at which the administrative officers of particular departments, bureaus and offices were questioned and interviewed.

The total reduction finally made was approximately \$600,000 which appears small in amount as compared with the total levies of about \$10,000,000, but it should be noted that this was accomplished without the reduction of governmental salaries and without the elimination of any lines of governmental activity. Two-thirds of the total reduction was accomplished in the budget of the City of Portland.

In the main, opposition to the work of the Commission has emanated from the City administration, which has staged a campaign of publicity in the press with a view to discrediting the Commission.

There are some who look to government reorganization and consolidation and the establishment of an effective local budget system as a solution of Portland's difficulties. But until such time as this ultimate remedy can be applied, they are inclined to support the new Commission in its efforts to secure co-ordination.

C. C. LUDWIG,

Executive Secretary of the Tax Supervising and Conservative Commission.



The New Administrative Code in Washington is working well, has led to the elimination of 474 employees and the saving of \$1,000,000 a year in the state's expenditures, according to Governor Louis F. Hart, whose statement on the first year of the code has been issued in pamphlet form by the Republican State Central Committee. The end of the preceding biennium in March 1921 found practically every department asking for deficiency appropriations, of which \$1,250,000 were granted. After the multifarious bureaus, offices and commissions of the state had been grouped into an orderly cabinet system of ten departments, the governor and his department heads undertook to live 15% inside the monthly proportion of the authorizations and the first year closed with more than 15% unspent in the administration as a whole.



Government of South Carolina Studied.—As a result of the studies made last summer and fall by the Joint Legislative Committee on Economy and Consolidation considerable progress

was made at the legislative session ending in March in improving the state's fiscal and revenue systems and in bettering the general organization and operating procedure of the state government.

During the summer and fall of 1921 the Joint Legislative Committee made intensive studies of the organization, personnel, and operating procedure of each of the fifty departments, institutions, boards, and commissions constituting the executive branch of the state government and also of the legislative and judicial branches. In this study, as well as in its analysis of the revenue problems and the drafting of revenue and other bills, the Committee secured the services of Griffenhagen & Associates, Ltd., of Chicago, who supplied experts in government finance and accounting, organization, engineering, education, social welfare, office administration, and institution management, including Fred Telford, Hugh J. Reber, W. T. Middlebrook, and G. R. Haigh.

The attention given to the revenue measures, coupled with the short session of only two months, prevented the Legislature from giving to the Committee's economy measures the attention they would otherwise have received. Though the studies of the experts indicated that the state government is economically administered, the Committee recommended that the operating costs be reduced by about ten per cent of the amounts appropriated for 1921 and pointed out just how these reductions could be made without cutting state expenditures for schools, highways, health, or other legitimate activities. Specific examples of bad internal organization, overmanning, ineffective procedure, poor equipment, and other wastes were cited. The need of consolidations was pointed out and eleven specific consolidations recommended. Complete reform of the state's auditing system was strongly urged in order to prevent waste and extravagance on the part of several state agencies. In the pressure at the end of the session when the revenue measures were out of the way it proved impossible to accomplish a great deal with these matters but several marked improvements were made and a number of state agencies put on notice to mend their ways; some have taken effective steps since the Legislature adjourned to carry out the Committee's recommendations, thus making legislative action unnecessary. It seems very likely that next January the Legislature to be elected in November will have be-

fore it from the beginning of the session the problem of putting into effect the Committee's various recommendations as to the steps to be taken to effect every possible economy.

SENATOR NEILS CHRISTENSEN,

Chairman Committee on Economy and Consolidation.

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Recent Finance Reforms in Nebraska.—Under the leadership of Governor McKelvie and with the able assistance of Mr. Philip F. Bross, secretary of the department of finance, notable progress in state finance reform has been made recently in Nebraska. A uniform fiscal year, beginning July 1, has been established. All special mill levies, except the capitol fund levy, have been repealed. This included the repeal of the university and normal school levies. A new budget law was enacted by the 1921 legislature which provided for a centralized control of appropriations through quarterly estimates approved by the governor. This law is in advance of most executive budget laws in that it provides a procedure by which the governor can control the expenditures of department after the appropriations have been made by the legislature. Most budget laws provide only that the governor shall make up the budget for the legislature and do not prescribe any procedure by which he can control the expenditures after the appropriations have been made. Under the Nebraska system, the governor, through the approval of the quarterly estimates, can prevent state spending agencies from incurring deficits. Not only that, but he can ascertain within a few months after the biennium has started if there is going to be a surplus and can have the appropriations reduced, as was done at the special session of the

legislature called by Governor McKelvie in January of this year.

The department of finance gathers daily and from monthly reports information of vital importance to budget making. It is constantly giving publicity to state, county and city expenditures that is of great value in affording a better understanding of government expenditures. The accounting and record keeping system of the department is very good and deserves the study of all who are interested in improved financial methods for government.

A. E. B.

★

Missouri Constitutional Convention convened on May 1 and got into a long, discreditable partisan deadlock of several weeks' duration over the election of officers.

★

Kansas City's Charter Commission is hostile to the city manager idea but has moved toward simplification by voting to abolish the two-house municipal legislature in favor of a single council. This leaves Baltimore to furnish the last remaining example among the larger cities of the quaint anachronism in America.

★

Maine Holds a Referendum in the fall on abolishing the direct primary. Both parties are on record against the primary and in favor of reversion to the convention system.

★

Three Referenda Are Expected in Arizona.—1. Repealing the direct primary. 2. Extending to four years the term of members of the legislature. 3. Disfranchising all but owners of real estate from bond elections.

II. GOVERNMENTAL RESEARCH CONFERENCE NOTES

Tenth Governmental Research Conference was held at Cleveland on June 1-3 with sessions on Taxation, Cost of Government, Criminal Justice, City Manager Plan and Relation of Research to Universities. A dinner session was devoted to State Reorganization in Ohio with Governor Davis of Ohio as guest.

★

Administrative Survey of South Dakota.—The 1921 legislature of South Dakota authorized the governor to conduct an efficiency study of the state administration. To make this study

Governor McMaster secured the services of the New York Bureau of Municipal Research. The work was begun in January, 1922, and was completed four months later. A complete report of the findings and recommendations of the Bureau was submitted to the governor on May 15th.

The first part of the report is rather brief and is intended for popular information. The second part covers in detail finance organization, budget making, purchasing, employment, accounting and reporting, state tax and revenue system, debt administration, agriculture and home build-

ing credit enterprises, hail insurance, institutional management, and public works administration. It is intended to be used more as a guide to the administrators in installing the procedure and in carrying out the recommendations that are proposed. It is understood that this report will be used by the governor as a basis for recommendations to the 1923 legislature.

Bonded Debt Statistics.—Owing to the delay and the new methods now employed in getting out the Federal census statistics of cities the Detroit Bureau of Governmental Research has, with the co-operation of other bureaus, accomplished the feat of assembling and issuing a table of the comparative bonded debts of the 32 largest cities as of January 1, 1922.

The New Mexico Tax Bulletin takes the place of *The Tax Review* formerly issued by the Tax-payers' Association of New Mexico. The first issue of the new periodical under date of January, 1922, contains two excellent reviews of the six years of the Association's work by H. J. Hagerman, its president, and R. F. Asplund, its director.

Milwaukee's Tax Problem is the main theme of the annual report of the Citizens' Bureau for 1921. The growing seriousness of the financial situation is riveting attention in Milwaukee as in so many other cities, but the Bureau sees ground for encouragement in the resolution of the board of estimates of Milwaukee to extend the annual budget procedure to cover a period of ten years.

Health and Welfare provisions of twenty-five of our largest cities are covered in a pamphlet by the Kansas City Public Service Institute. The study shows the gradual abandonment of the plan of control of health by a health board; the occasional inclusion of health as a division of welfare; and lack of any agreement as to the proper placing of general hospitals in the scheme of organization.

The Financial Organization of Kansas City has been thoroughly surveyed by the Institute, which offers a comprehensive plan of reconstruction.

Kansas City Charters have been analyzed by the Institute, also, along with proposed changes.

The graphs of the several charters under which the city has operated during its history are of general interest.

Motor-driven Equipment for Street-Cleaning is to be experimented with by the Detroit Bureau of Governmental Research. For this purpose the Bureau has undertaken supervision of two square miles of street-cleaning area.

El Paso, Texas, has undertaken a survey of its municipal government, utilizing the Institute for Public Service and the Bureaus associated with it. Gaylord C. Cummin has been in charge and has had with him Arch Mandel of the Detroit Bureau and A. L. Weeks of the Detroit Board of Education and formerly of the Bureau.

C. A. Crosser, five years with the *Toledo Blade*, has been appointed Secretary of the Toledo Commission of Publicity and Efficiency, vice Wendell F. Johnson resigned.

Governmental Research, as conducted by civic organizations and universities, is being surveyed by a committee of the American Political Science Association, consisting of Chas. E. Merriam, John A. Fairlie and Robert T. Crane. The committee hopes to secure closer relations between research organization and stimulate more extensive activities.

The City, a monthly bulletin, is again being published by the San Francisco Bureau of Governmental Research. The Bureau is also conducting a Municipal Affairs Department in the columns of the Sunday edition of the *San Francisco Journal*.

The Institute for Public Service has concluded the survey of Flint, Michigan.

Gerhard E. Gezell, formerly Secretary of the Cleveland Civic League, has been appointed director of finance in the new Cleveland administration.

The Citizens' Research League of Calgary has been established with Bruce L. Robinson as President, and A. B. Silcox as Director. Mr. Silcox was formerly with the Toronto Bureau. The address is 520 Lougheed Building, Calgary, Alberta.

Winnipeg citizens have re-appointed a committee empowered to organize a bureau of research. This is through the efforts of Horace L. Brittain, Director of the Toronto Bureau.



The Re-organized Municipal Court of Detroit, which has attracted nation-wide attention through its effective operations, is being reported on by the Detroit Bureau for the second time.



Georgia State Government is being surveyed by Griffenhagen and Associates of Chicago.



Frank S. Staley, formerly Director of the Minneapolis Bureau, is now connected with the Rockefeller Foundation at 61 Broadway, New York.

The Growth of City Activities in Detroit, with the increased costs and other data is covered in Bulletin No. 70 issued by the Detroit Bureau. This study covers the annual addition of activities over a period of one hundred years since the incorporation of the city, and gives the concrete effects of the development of municipal government in one large community.



Bonded Indebtedness of the City of Duluth has been made the basis of a plea by the Tax-payers' League of St. Louis County for the substitution of serial bonds for the older sinking-fund methods. This Bureau has also issued reports recently on Purchasing in the County and on the Collection and Disposal of Refuse in the City.

ROBERT T. CRANE.

III. CITY MANAGER NOTES

New City Manager Cities.—Since January 1st we have added the following cities to our list of cities that have adopted city manager government by charter:

Chico, Cal., population 9339, in effect April 1923.

Bartow, Fla., population 5000, in effect January 1922.

Muskegon Heights, Mich., population 12,000, in effect April 1922.

Onaway, Mich., population 2789, in effect April 1920. (Found recently.)

Excelsior Springs, Mo., population 4167, in effect April 1922. (This is the first city in Missouri to adopt the city manager plan under the city manager statute enacted 1921 which made it possible for cities of the third class in Missouri to adopt the city manager plan.)

Grandfield, Okla., population 2000, in effect April 1921.

Ponca, Okla., population 7050, in effect February 1921.

Sapulpa, Okla., population 17,500, in effect February 1922.

Astoria, Ore., population 15,000, in effect January 1923.

Florence, S. C., population 10,968, in effect June 1921.

Salem, Va., population 4159, in effect February 1922.

Janesville, Wis., population 18,293, in effect April 1923.

Kenosha, Wis., population 40,472, in effect March 1922.



Two Ordinance city managerships were created on April 1st: Blairsville, Pa., and Gainesville, Texas.



Minneapolis, Minn., votes in June on a charter substantially identical with our model charter and the Cleveland charter providing for city manager government with proportional representation drafted by our field director, Dr. A. R. Hatton, who spent about three months in the city as charter expert.



Atlanta, Ga., voted in May on a choice of three charters, namely the present aldermanic form, the city manager plan which our field director, Dr. Hatton, drafted a year ago and a composite plan advocated by the mayor. No plan received a majority but the composite plan had the least support so a second election was held on May 30th by the other two, the present aldermanic charter winning by a majority of 1100.

The figures of the two elections are interesting although we have not as yet sufficient information to fully interpret them. May 17th, 9894 votes were cast for the three charters. The votes were divided as follows: present aldermanic charter 4107, city manager charter 3553, composite charter 2234. While May 30th at the hold-over election 13,800 votes were cast, 7450 for the

present aldermanic charter and 6,350 for the city manager plan. Which charter absorbed the votes previously cast for the composite plan and which section stirred up the sluggish voters? Both doubtless put in hard work and it should be noted that May 17th was a stormy day and May 30th was sunny and a holiday.

✱

City Manager campaigns were lost in Fredericksburg, Va., and Ypsilanti, Mich. In Fredericksburg the city manager charter was lost by only 40 votes, while in Ypsilanti it lost by 695 votes out of 1935 votes cast.

✱

Wheeling, W. Va.—City Manager Homer Crago, the first and only city manager to be charged with misconduct has been acquitted of an indictment alleging that he had abetted election funds while city clerk before his appointment as manager.

✱

An Attempt to Upset the New Cleveland Charter by a legal attack was made in two tax payers' suits and defeated in the fourth district court of appeals on May 9. Our Field Director, Dr. Hatton, prepared the brief in the case defending proportional representation.

It was asserted in one suit that the changes adopted constitute a new charter, that the amendment conflicts with the Ohio constitution, that the provisions are so vague and incomprehensible as to be incapable of execution, and that no opportunity was given for a separate vote on the different sections.

The other tax payer claimed certain administrative sections of the amendment are in conflict with the general laws of the state. On this question the court ruled that if there is a conflict with the general statutes, the question can only be raised when some particular officer does or threatens to do some unlawful act after the amendment becomes operative.

In ruling on proportional representation, the court said:

"To exercise this added privilege requires some intelligence and some care, and to this extent the illiterate and careless may be at a disadvantage, but the constitution is not thereby violated.

"It is confessedly intricate and difficult of execution, requiring the highest skill and probity on the part of the election authorities charged with its execution, but on the part of the elector but little more is required than in voting the present judicial ballot. The duties of the election officials

are neither vague nor indefinite. The fact that they are incomprehensible to many or most of the electors is inconsequential.

"It is pointed out that the mechanical method of selecting the transferable ballots may result in a particular elector's strength being used directly against such elector's expressed desire. We recognize such possibility. . . . In compensation, however, is the probability, in some instances, that on the whole he has more adequately expressed himself by exercising all his rights under the new plan than if he had exercised his rights under the old plan.

"Whether or not he is paying too much for this added privilege of expressing his second and successive choices is, after all, a question that this court cannot determine. That is a political question, and we are concluded by the favorable vote of the city's electorate. If it be unwise, it must be undone by those responsible for its adoption."

Both cases, it is expected will be carried to the Ohio supreme court for final decision.

✱

Annapolis.—The Maryland legislature in April passed a bill permitting the adoption of the city manager plan in Annapolis, but it is not probable that the city of Annapolis will proceed under the law to arrange to take advantage of this permission.

✱

The Mayor of Galveston, Texas, where the commission form of municipal government originated in 1900, published a statement in May citing various proofs that the plan is not working smoothly, saying "The commissioner of each department is supreme therein and resents interference or suggestions." Efforts of the mayor to remedy certain abuses had been refused by the elective department head. The mayor argues for the need of a city manager while the city attorney has, at a public mass meeting, expressed his dissatisfaction with commission government and has expressed his hearty approval of the city manager plan.

The Galveston County Taxpayers' Association is conducting a campaign for the city manager plan in Galveston. The Association has submitted to the city council city manager amendments to the Galveston charter and it is expected that the council will refer the amendments to the people for vote late in June.

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The Manistee, Michigan, City Manager Charter has survived the attack which was brewing

for several years, assuming that attacks also have learned to brew. To head off the interests which were determined to revert to aldermanic government, a charter commission was created. It recommended a revision which provides seven commissioners for terms of two years, one from

each supervisor district, but elected at large. Their powers will be identical with those of former council members elected at large for five years, one each year. The revision was adopted in April by a large majority. The city manager will of course remain.

IV. MISCELLANEOUS

The Charles Fremont Taylor Trust Fund.—For something like twenty years, Dr. Charles Fremont Taylor, a physician and editor of a medical journal of Philadelphia, devoted a considerable part of his fortune and personal energy to the promotion of the initiative, referendum and recall and published the quarterly magazine, *Equity*, which was consolidated into the NATIONAL MUNICIPAL REVIEW in August, 1919.

Dr. Taylor died in 1920 leaving a will in which he made provision for his widow and turned over certain securities and other property to three Trustees, namely Thomas Raeburn White, C. G. Hoag and Samuel S. Fels, all of Philadelphia, to hold as a Trust Fund, the revenue to be appropriated from time to time for the following purposes:

"to promote improvements in the structure and methods of government, with especial reference to the initiative, referendum and recall; proportional representation; preferential voting; ballot reform; the simplification of municipal, state and national government, and the revision or re-making of city-charters, state constitutions and our national constitution, with a view to promote efficiency and popular control of government. . . . Trustees shall have full power and authority to employ and pay lecturers and writers and such other assistants and employees as they may deem necessary for properly carrying out the purposes of the trust; to print, publish and distribute pamphlets, magazines and newspapers; and generally to use any and all lawful means to increase the knowledge of the citizens of the United States of America upon these governmental and political questions; and shall further draft bills and acts, laws and other legislation and use all lawful means to have them introduced and passed to the end that popular, democratic and efficient government may be promoted in the United States of America."

The amount of the principal and the annual income is not known, but it is generally understood that the revenue is not over \$10,000 a year.

In 1920 Dr. Taylor's widow started suit to break the will and the Trustees suspended distribution of funds. The case was carried to the Supreme Court of Pennsylvania and a decision favorable to the Taylor Trust Fund was obtained in March, 1922.

Applications for allotments from the Fund should be addressed to Thomas Raeburn White, West End Trust Building, Philadelphia. All applications must state fully the nature of the work in which the institution is engaged, or which is proposed to be done. Financial statement and copy of last balance sheet must be furnished.

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"City Clubs in America" is the title of a 32-page pamphlet issued by the City Club of Chicago descriptive of the activities, methods and histories of the fourteen city clubs in this country. The record discloses the swing toward the non-militant forum type of city club.

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The Need for the 'Short Ballot' in Chicago is the theme of an address to the Constitutional Convention by the Citizens Association, which submits as proof the April primary ballot with 170 names of candidates for 56 offices. The Convention is reminded that Governor Lowden in starting the movement for a convention in 1917 described the need for a short ballot as the main reason for revision.

A second address pleads for unification of the Cook County courts into a single court with both civil and criminal jurisdiction and attacks the pending two-court plan as relegating the disagreeable criminal and minor civil work to one branch to which it would remain difficult to attract good judicial talent.

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The Second National Conference on State Parks was held at Bear Mountain Inn, Iona

Island, N. Y., May 22-25. Bear Mountain Inn is the centre of the activities of the Palisades Interstate Park which begins at Fort Lee (opposite 130th St., New York City) and extends northward to include the 35,000 acres of the Bear Mountain territory. No place could be better for a conference than this the greatest and most used of state parks.

The conference was well attended by delegates from 32 states. The chairman was the Hon. John Barton Payne and the vice chairman the Hon. Stephen T. Mather, Director of the National Park Service. The speakers presented the state park idea with vividness and originality and from points of view as widely separated as the states from which they came. But the thought running through all their speeches (which are to be printed in the forthcoming report of the Conference) was that the state park had become an institution destined sooner or later to be nation wide because it filled needs not provided for in any other way. It not merely preserves rare scenery and historic sites, but it provides recreation in the natural country at little or no cost for the population of congested districts. In fact (as J. H. McFarland put it) "it brings the National Park to the east".



The League of Women Voters Convene in Baltimore.—When the League of Women Voters met in their first convention April, 1921, in Cleveland, the railroads offered a half fare rebate if 350 delegates assembled. The rebate was granted but the delegates did not number many over the 350. At the Baltimore convention this year the committee on arrangements expected and arranged for 600, and behold, 1035 delegates appeared and the local Baltimoreans, men as well as women, crowded the halls in excess of seating capacity at all sessions; in fact, at one of the special sessions at which Lady Astor, Mrs. Carrie Chapman Catt and Prof. C. E. Merriam spoke, it was necessary to have an overflow meeting of 400 or 500 in a second hall. The women have proved the substantiality and the vitality of their organization, and they have shown that they can control and direct enthusiastic speakers (in one session which lasted an hour and forty minutes twenty-two women spoke and each one covered her subject with conciseness and completeness).

The Pan-American conference to which the first three days were devoted had representatives

from all the Americas, from Canada to Terra del Fuego. These women came together to discuss humanitarian problems and to develop international friendship, a new approach in international relations. The first sentence of Mrs. Park's opening address at the conference states their purpose: "We have come together from twenty-two countries of the Americas to discuss problems of women all over the world."

These problems, presented and studied in detail, were finally summed up by Mrs. Catt in three words: "Wanted—Women's Votes." It was revealed that only South America of all the six continents allows no women to vote. The realization of this stirred the South American representatives, as one fiery little woman said: "Mrs. Catt has shamed us to our faces. We must show her that South American women will not take a dare."

A permanent organization was accomplished. It is called a Pan-American Association for the Advancement of Women. Mrs. Carrie Chapman Catt was made honorary president and Mrs. Maude Wood Park, president. The vice-presidents are, Dr. Paulina Luisi, Bertha Lutz of Brazil, Ester Niera de Calvo of Panama, Elena Torres of Mexico. The aims of the new association are, to promote friendliness and understanding among all Pan-American countries having in mind the maintenance of perpetual peace in the western hemisphere, to promote general education among women, to secure rights of married women to control their own property and wages, to secure equal guardianship, to encourage public speaking among women and freedom of opportunity for all women to secure their political rights.

The most striking features of the last three days of the conference devoted to problems in the United States were the following discussions: first, whether the League of Women Voters should endorse local candidates for office; secondly, whether efficiency in government should be made the chief department of the League. Endorsing or not endorsing candidates divided into three ways of handling the question: endorsing approved candidates, disqualifying candidates not approved and supporting provisions for which certain candidates stand. Three dramatic experiences in New York, St. Louis and Birmingham were cited. The one final conclusion reached was that candidates should not be endorsed.

Efficiency in government as the chief depart-

ment of the League was the subject thrown into the arena by Mrs. John O. Miller, state chairman of the Pennsylvania State League of Women Voters. She argued that it should be made the chief department of the League and that into it be merged the committees on uniform laws for women and American citizenship and that the committees on social welfare be abolished.

Many of the delegates did not agree with Mrs. Miller. The work of the social welfare committees attracts new members to the League as efficiency in government problems do not, since so few uninitiated women can grasp the significance of systems and machinery of government. The Leagues that need new members badly fought hard for retaining social welfare committees. Those who argued for efficiency in

government as the chief department of the League felt that the social welfare departments side-tracked the interest of their workers and started them working as amateurs in the field where other clubs and associations already control the field in a professional way and are prepared and glad to submit their findings to the League of Women Voters for their use at any time. The matter, however, as it was not planned for in the program, did not come up for settlement until the last evening of the convention when it seemed to be the consensus of opinion that it was unwise to rush through so vital a question at the last moment.

A committee was appointed to investigate the subject and to submit recommendations to the next annual convention.

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